

**EIGHTY-FOURTH GENERAL ASSEMBLY
2011 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

MAY 11, 2011

HOUSE FILE 656

H-1721

1 Amend House File 656 as follows:
2 1. Page 1, before line 1 by inserting:
3 <Section 1. Section 135L.3, subsection 3, paragraph
4 m, subparagraph (5), Code 2011, is amended to read as
5 follows:
6 (5) The pregnant minor declares that the pregnant
7 minor is a victim of sexual abuse as defined in
8 chapter 709 and has reported the sexual abuse to law
9 enforcement, a deoxyribonucleic acid sample is taken at
10 the time of the abortion and entered into the federal
11 bureau of investigation combined DNA index system
12 for the purposes of finding a match with the alleged
13 perpetrator of the sexual abuse, and the attorney
14 general prosecutes the case to the fullest extent of
15 the law when such a match is found.>
16 2. By renumbering as necessary.

By BAUDLER of Adair

H-1721 FILED MAY 10, 2011

HOUSE FILE 656

H-1730

1 Amend the amendment, H-1500, to House File 656 as
2 follows:
3 1. Page 1, line 30, after <5.> by inserting <a.>
4 2. Page 1, by striking line 39 and inserting
5 <unborn child.
6 b. This section shall not apply to the termination
7 of a human pregnancy when the pregnancy is the result
8 of sexual abuse as defined in section 709.1 or incest
9 as defined in section 726.2 if all of the following
10 conditions are met:
11 (1) The sexual abuse or incest is reported to law
12 enforcement.
13 (2) A deoxyribonucleic acid sample is taken at the
14 time of the termination of pregnancy and entered into
15 the federal bureau of investigation combined DNA index
16 system for the purposes of finding a match with the
17 alleged perpetrator of the sexual abuse or incest.
18 (3) The attorney general prosecutes the case to the
19 fullest extent of the law when such a match is found.>
20 3. By renumbering as necessary.

By BAUDLER of Adair

H-1730 FILED MAY 10, 2011

HOUSE FILE 672

H-1722

1 Amend the amendment, [H-1706](#), to [House File 672](#),
2 as amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, by striking lines 15 and 16.
5 2. Page 1, by striking lines 20 through 23.
6 3. Page 1, by striking lines 26 through 31.
7 4. Page 1, by striking lines 34 through 38 and
8 inserting:
9 <____. Page 4, by striking lines 1 through 6 and
10 inserting <ethanol cogeneration plant engaged in the
11 sale of ethanol to states to meet a low carbon fuel
12 standard.>>
13 5. Page 1, by striking lines 39 and 40.
By PAUSTIAN of Scott
SODERBERG of Plymouth

H-1722 FILED MAY 10, 2011

HOUSE FILE 688

H-1714

1 Amend [House File 688](#) as follows:
2 1. Page 1, lines 19 and 20, by striking <by the
3 capital investment board>
4 2. Page 1, before line 23 by inserting:
5 <Sec. _____. Section 15E.42, subsection 2, Code 2011,
6 is amended to read as follows:
7 2. "Board" means the ~~Iowa capital investment~~
8 economic development board created in section ~~15E.63~~
9 15.103.>
10 3. Page 2, before line 2 by inserting:
11 <Sec. _____. CODE EDITOR DIRECTIVE. If 2011 Iowa
12 Acts, [House File 590](#), is enacted, the Code editor
13 is directed to change references in this Act from
14 "economic development board" to "economic development
15 authority.">
16 4. By renumbering as necessary.
By HELLAND of Polk

H-1714 FILED MAY 10, 2011

HOUSE FILE 691

H-1715

1 Amend House File 691 as follows:

2 1. By striking everything after the enacting clause
3 and inserting:

4 <Section 1. Section 331.512, Code 2011, is amended
5 by adding the following new subsection:

6 NEW SUBSECTION. 13A. Carry out duties relating to
7 the business property tax credit as provided in chapter
8 426C.

9 Sec. 2. Section 331.559, Code 2011, is amended by
10 adding the following new subsection:

11 NEW SUBSECTION. 14A. Carry out duties relating to
12 the business property tax credit as provided in chapter
13 426C.

14 Sec. 3. NEW SECTION. 426C.1 Definitions.

15 For the purposes of this chapter, unless the context
16 otherwise requires:

17 1. "Contiguous parcels" means any of the following:

18 a. Parcels that share a common boundary.

19 b. Parcels within the same building or structure
20 regardless of whether the parcels share a common
21 boundary.

22 c. Improvements to the land that are situated on
23 one or more parcels of land that are assessed and taxed
24 separately from the improvements if the parcels of land
25 upon which the improvements are situated share a common
26 boundary.

27 2. "Department" means the department of revenue.

28 3. "Fund" means the business property tax credit
29 fund created in section 426C.2.

30 4. "Parcel" means as defined in section 445.1.

31 5. "Property unit" means contiguous parcels all of
32 which are located within the same county, with the same
33 property tax classification, each of which contains
34 permanent improvements, are owned by the same person,
35 and are operated by that person for a common use and
36 purpose.

37 Sec. 4. NEW SECTION. 426C.2 Business property tax
38 credit fund ---- appropriation.

39 1. A business property tax credit fund is created
40 in the state treasury under the authority of the
41 department. For the fiscal year beginning July 1,
42 2012, there is appropriated from the general fund of
43 the state to the department to be credited to the
44 fund, the sum of fifty million dollars to be used
45 for business property tax credits authorized in this
46 chapter. For the fiscal year beginning July 1, 2013,
47 and each fiscal year thereafter, there is appropriated
48 from the general fund of the state to the department

49 to be credited to the fund an amount equal to the
50 total amount appropriated by the general assembly to
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1 the fund in the previous fiscal year. In addition,
2 the sum of fifty million dollars shall be added to the
3 appropriation in each fiscal year beginning on or after
4 July 1, 2013, if the revenue estimating conference
5 certifies during its final meeting of the calendar year
6 ending prior to the beginning of the fiscal year that
7 the total amount of general fund revenues collected
8 during the fiscal year ending during such calendar year
9 was at least one hundred four percent of the total
10 amount of general fund revenues collected during the
11 previous fiscal year. However, the total appropriation
12 to the fund shall not exceed two hundred million
13 dollars for any one fiscal year.

14 2. Notwithstanding section 12C.7, subsection 2,
15 interest or earnings on moneys deposited in the fund
16 shall be credited to the fund. Moneys in the fund are
17 not subject to the provisions of section 8.33 and shall
18 not be transferred, used, obligated, appropriated,
19 or otherwise encumbered except as provided in this
20 chapter.

21 Sec. 5. NEW SECTION. 426C.3 Claims for credit.

22 1. Each person who wishes to claim the credit
23 allowed under this chapter shall obtain the appropriate
24 forms from the assessor and file the claim with the
25 assessor. The director of revenue shall prescribe
26 suitable forms and instructions for such claims, and
27 make such forms and instructions available to the
28 assessors.

29 2. a. Claims for the business property tax credit
30 shall be filed not later than March 15 preceding the
31 fiscal year during which the taxes for which the credit
32 is claimed are due and payable.

33 b. A claim filed after the deadline for filing
34 claims shall be considered as a claim for the following
35 year.

36 3. Upon the filing of a claim and allowance of the
37 credit, the credit shall be allowed on the parcel or
38 property unit for successive years without further
39 filing as long as the parcel or property unit satisfies
40 the requirements for the credit. If the parcel or
41 property unit owner ceases to qualify for the credit
42 under this chapter, the owner shall provide written
43 notice to the assessor by the date for filing claims
44 specified in subsection 2 following the date on which
45 the parcel or property unit ceases to qualify for the
46 credit.

47 4. When all or a portion of a parcel or property
48 unit that is allowed a credit under this chapter is
49 sold, transferred, or ownership otherwise changes, the
50 buyer, transferee, or new owner who wishes to receive

1 the credit shall refile the claim for credit. When a
2 portion of a parcel or property unit that is allowed
3 a credit under this chapter is sold, transferred, or
4 ownership otherwise changes, the owner of the portion
5 of the parcel or property unit for which ownership did
6 not change shall refile the claim for credit.

7 5. The assessor shall remit the claims for
8 credit to the county auditor with the assessor's
9 recommendation for allowance or disallowance. If
10 the assessor recommends disallowance of a claim,
11 the assessor shall submit the reasons for the
12 recommendation, in writing, to the county auditor. The
13 county auditor shall forward the claims to the board
14 of supervisors. The board shall allow or disallow the
15 claims.

16 6. For each claim and allowance of a credit for
17 a property unit, the county auditor shall calculate
18 the average of all consolidated levy rates applicable
19 to the several parcels within the property unit. All
20 claims for credit which have been allowed by the board
21 of supervisors, the actual value of the improvements
22 to such parcels and property units applicable to
23 the fiscal year for which the credit is claimed
24 that are subject to assessment and taxation prior to
25 imposition of any applicable assessment limitation,
26 the consolidated levy rates for such parcels and the
27 average consolidated levy rates for such property units
28 applicable to the fiscal year for which the credit is
29 claimed, and the taxing districts in which the parcel
30 or property unit is located, shall be certified on or
31 before June 30, in each year, by the county auditor to
32 the department.

33 7. The assessor shall maintain a permanent file of
34 current business property tax credits. The assessor
35 shall file a notice of transfer of property for which a
36 credit has been allowed when notice is received from
37 the office of the county recorder, from the person
38 who sold or transferred the property, or from the
39 personal representative of a deceased property owner.
40 The county recorder shall give notice to the assessor
41 of each transfer of title filed in the recorder's
42 office. The notice from the county recorder shall
43 describe the property transferred, the name of the
44 person transferring title to the property, and the name
45 of the person to whom title to the property has been
46 transferred.

47 Sec. 6. NEW SECTION. 426C.4 Eligibility and amount
48 of credit.

49 1. Each parcel classified and taxed as commercial
50 property, industrial property, or railway property

1 under chapter 434, and improved with permanent
2 construction, is eligible for a credit under this
3 chapter. A person may claim and receive one credit
4 under this chapter for each eligible parcel unless
5 the parcel is part of a property unit. A person
6 may only claim and receive one credit under this
7 chapter for each property unit. A credit approved
8 for a property unit shall be allocated to the several
9 parcels within the property unit in the proportion
10 that each parcel's total amount of property taxes due
11 and payable attributable to the improvements bears to
12 the total amount of property taxes due and payable
13 attributable to the improvements for the property unit.
14 Only property units comprised of commercial property,
15 comprised of industrial property, or comprised of
16 railway property under chapter 434 are eligible for a
17 credit under this chapter.

18 2. Using the actual value of the improvements and
19 the consolidated levy rate for each parcel or the
20 average consolidated levy rate for each property unit,
21 as certified by the county auditor to the department
22 under section 426C.3, subsection 6, the department
23 shall calculate, for each fiscal year, an initial
24 amount of actual value of improvements for use in
25 determining the amount of the credit for each such
26 parcel or property unit so as to provide the maximum
27 possible credit according to the credit formula and
28 limitations under subsection 3, and to provide a
29 total dollar amount of credits against the taxes due
30 and payable in the fiscal year equal to ninety-eight
31 percent of the moneys in the fund following the deposit
32 of the total appropriation for the fiscal year.

33 3. a. The amount of the credit for each parcel or
34 property unit for which a claim for credit under this
35 chapter has been approved shall be calculated under
36 paragraph "b" using the lesser of the initial amount
37 of actual value of the improvements determined by the
38 department under subsection 2, and the actual value
39 of the improvements to the parcel or property unit as
40 certified by the county auditor under section 426C.3,
41 subsection 6.

42 b. The amount of the credit for each parcel or
43 property unit for which a claim for credit under
44 this chapter has been approved shall be equal to the
45 amount of actual value determined under paragraph "a"
46 multiplied by the difference, stated as a percentage,
47 between the assessment limitation applicable to
48 the parcel or property unit under section 441.21,
49 subsection 5, and the assessment limitation applicable
50 to residential property under section 441.21,

1 subsection 4, divided by one thousand dollars, and then
2 multiplied by the consolidated levy rate or average
3 consolidated levy rate for one thousand dollars of
4 taxable value applicable to the parcel or property unit
5 for the fiscal year for which the credit is claimed as
6 certified by the county auditor under section 426C.3,
7 subsection 6.

8 Sec. 7. NEW SECTION. 426C.5 Payment to counties.

9 1. Annually the department shall certify to the
10 county auditor of each county the amounts of the
11 business property tax credits allowed in the county.
12 Each county auditor shall then enter the credits
13 against the tax levied on each eligible parcel or
14 property unit in the county, designating on the tax
15 lists the credit as being from the fund. Each taxing
16 district shall receive its share of the business
17 property tax credit allowed on each eligible parcel
18 or property unit in such taxing district, in the
19 proportion that the levy made by such taxing district
20 upon the parcel or property unit bears to the total
21 levy upon the parcel or property unit by all taxing
22 districts imposing a property tax in such taxing
23 district. However, the several taxing districts
24 shall not draw the moneys so credited until after the
25 semiannual allocations have been received by the county
26 treasurer, as provided in this section. Each county
27 treasurer shall show on each tax receipt the amount of
28 credit received from the fund.

29 2. The director of the department of administrative
30 services shall issue warrants on the fund payable to
31 the county treasurers of the several counties of the
32 state under this chapter.

33 3. The amount due each county shall be paid in two
34 payments on November 15 and March 15 of each fiscal
35 year, drawn upon warrants payable to the respective
36 county treasurers. The two payments shall be as nearly
37 equal as possible.

38 Sec. 8. NEW SECTION. 426C.6 Appeals.

39 1. If the board of supervisors disallows a claim
40 for credit under section 426C.3, subsection 5, the
41 board of supervisors shall send written notice, by
42 mail, to the claimant at the claimant's last known
43 address. The notice shall state the reasons for
44 disallowing the claim for the credit. The board of
45 supervisors is not required to send notice that a claim
46 for credit is disallowed if the claimant voluntarily
47 withdraws the claim. Any person whose claim is denied
48 under the provisions of this chapter may appeal from
49 the action of the board of supervisors to the district
50 court of the county in which the parcel or property

1 unit is located by giving written notice of such appeal
2 to the county auditor within twenty days from the date
3 of mailing of notice of such action by the board of
4 supervisors.

5 2. If any claim for credit has been denied by the
6 board of supervisors, and such action is subsequently
7 reversed on appeal, the credit shall be allowed on the
8 applicable parcel or property unit, and the director of
9 revenue, the county auditor, and the county treasurer
10 shall provide the credit and change their books and
11 records accordingly. In the event the appealing
12 taxpayer has paid one or both of the installments of
13 the tax payable in the year or years in question,
14 remittance shall be made to such taxpayer of the amount
15 of such credit. The amount of such credit awarded on
16 appeal shall be allocated and paid from the balance
17 remaining in the fund.

18 Sec. 9. NEW SECTION. 426C.7 Audit ---- denial.

19 1. If on the audit of a credit provided under this
20 chapter, the director of revenue determines the amount
21 of the credit to have been incorrectly calculated or
22 that the credit is not allowable, the director shall
23 recalculate the credit and notify the taxpayer and the
24 county auditor of the recalculation or denial and the
25 reasons for it. The director shall not adjust a credit
26 after three years from October 31 of the year in which
27 the claim for the credit was filed. If the credit has
28 been paid, the director shall give notification to the
29 taxpayer, the county treasurer, and the applicable
30 assessor of the recalculation or denial of the credit
31 and the county treasurer shall proceed to collect the
32 tax owed in the same manner as other property taxes due
33 and payable are collected, if the parcel or property
34 unit for which the credit was allowed is still owned
35 by the taxpayer. If the parcel or property unit
36 for which the credit was allowed is not owned by the
37 taxpayer, the amount may be recovered from the taxpayer
38 by assessment in the same manner that income taxes are
39 assessed under sections 422.26 and 422.30. The amount
40 of such erroneous credit, when collected, shall be
41 deposited in the fund.

42 2. The taxpayer or board of supervisors may
43 appeal any decision of the director of revenue to the
44 state board of tax review pursuant to section 421.1,
45 subsection 5. The taxpayer, the board of supervisors,
46 or the director of revenue may seek judicial review
47 of the action of the state board of tax review in
48 accordance with chapter 17A.

49 Sec. 10. NEW SECTION. 426C.8 False claim ----
50 penalty.

1 A person who makes a false claim for the purpose of
2 obtaining a credit provided for in this chapter or who
3 knowingly receives the credit without being legally
4 entitled to it is guilty of a fraudulent practice. The
5 claim for a credit of such a person shall be disallowed
6 and if the credit has been paid the amount shall be
7 recovered in the manner provided in section 426C.7. In
8 such cases, the director of revenue shall send a notice
9 of disallowance of the credit.

10 Sec. 11. NEW SECTION. 426C.9 Rules.

11 The director of revenue shall prescribe forms,
12 instructions, and rules pursuant to chapter 17A, as
13 necessary, to carry out the purposes of this chapter.

14 Sec. 12. IMPLEMENTATION. Notwithstanding the
15 deadline for filing claims established in section
16 426C.3, for a credit against property taxes due and
17 payable during the fiscal year beginning July 1, 2012,
18 the claim for the credit shall be filed not later than
19 January 15, 2012.

20 Sec. 13. APPLICABILITY. This Act applies to
21 property taxes due and payable in fiscal years
22 beginning on or after July 1, 2012.>

23 2. Title page, by striking lines 1 through 5
24 and inserting <An Act establishing a property tax
25 credit for certain commercial, industrial, and
26 railway property, providing penalties, and including
27 applicability provisions.>

By SANDS of Louisa

HOUSE FILE 691

H-1718

1 Amend House File 691 as follows:

2 1. By striking everything after the enacting clause
3 and inserting:

4 <Section 1. Section 331.512, Code 2011, is amended
5 by adding the following new subsection:

6 NEW SUBSECTION. 13A. Carry out duties relating to
7 the business property tax credit as provided in chapter
8 426C.

9 Sec. 2. Section 331.559, Code 2011, is amended by
10 adding the following new subsection:

11 NEW SUBSECTION. 14A. Carry out duties relating to
12 the business property tax credit as provided in chapter
13 426C.

14 Sec. 3. NEW SECTION. 426C.1 Definitions.

15 For the purposes of this chapter, unless the context
16 otherwise requires:

17 1. "Contiguous parcels" means any of the following:

18 a. Parcels that share a common boundary.

19 b. Parcels within the same building or structure
20 regardless of whether the parcels share a common
21 boundary.

22 c. Improvements to the land that are situated on
23 one or more parcels of land that are assessed and taxed
24 separately from the improvements if the parcels of land
25 upon which the improvements are situated share a common
26 boundary.

27 2. "Department" means the department of revenue.

28 3. "Fund" means the business property tax credit
29 fund created in section 426C.2.

30 4. "Parcel" means as defined in section 445.1.

31 5. "Property unit" means contiguous parcels all of
32 which are located within the same county, with the same
33 property tax classification, each of which contains
34 permanent improvements, are owned by the same person,
35 and are operated by that person for a common use and
36 purpose.

37 Sec. 4. NEW SECTION. 426C.2 Business property tax
38 credit fund ---- appropriation.

39 1. A business property tax credit fund is created
40 in the state treasury under the authority of the
41 department. For the fiscal year beginning July 1,
42 2012, there is appropriated from the general fund of
43 the state to the department to be credited to the
44 fund, the sum of fifty million dollars to be used
45 for business property tax credits authorized in this
46 chapter. For the fiscal year beginning July 1, 2013,
47 and each fiscal year thereafter, there is appropriated
48 from the general fund of the state to the department

49 to be credited to the fund an amount equal to the
50 total amount appropriated by the general assembly to
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1 the fund in the previous fiscal year. In addition,
2 the sum of fifty million dollars shall be added to the
3 appropriation in each fiscal year beginning on or after
4 July 1, 2013, if the revenue estimating conference
5 certifies during its final meeting of the calendar year
6 ending prior to the beginning of the fiscal year that
7 the total amount of general fund revenues collected
8 during the fiscal year ending during such calendar year
9 was at least one hundred four percent of the total
10 amount of general fund revenues collected during the
11 previous fiscal year. However, the total appropriation
12 to the fund shall not exceed two hundred million
13 dollars for any one fiscal year.

14 2. Notwithstanding section 12C.7, subsection 2,
15 interest or earnings on moneys deposited in the fund
16 shall be credited to the fund. Moneys in the fund are
17 not subject to the provisions of section 8.33 and shall
18 not be transferred, used, obligated, appropriated,
19 or otherwise encumbered except as provided in this
20 chapter.

21 Sec. 5. NEW SECTION. 426C.3 Claims for credit.

22 1. Each person who wishes to claim the credit
23 allowed under this chapter shall obtain the appropriate
24 forms from the assessor and file the claim with the
25 assessor. The director of revenue shall prescribe
26 suitable forms and instructions for such claims, and
27 make such forms and instructions available to the
28 assessors.

29 2. a. Claims for the business property tax credit
30 shall be filed not later than March 15 preceding the
31 fiscal year during which the taxes for which the credit
32 is claimed are due and payable.

33 b. A claim filed after the deadline for filing
34 claims shall be considered as a claim for the following
35 year.

36 3. Upon the filing of a claim and allowance of the
37 credit, the credit shall be allowed on the parcel or
38 property unit for successive years without further
39 filing as long as the parcel or property unit satisfies
40 the requirements for the credit. If the parcel or
41 property unit owner ceases to qualify for the credit
42 under this chapter, the owner shall provide written
43 notice to the assessor by the date for filing claims
44 specified in subsection 2 following the date on which
45 the parcel or property unit ceases to qualify for the
46 credit.

47 4. When all or a portion of a parcel or property
48 unit that is allowed a credit under this chapter is
49 sold, transferred, or ownership otherwise changes, the
50 buyer, transferee, or new owner who wishes to receive

1 the credit shall refile the claim for credit. When a
2 portion of a parcel or property unit that is allowed
3 a credit under this chapter is sold, transferred, or
4 ownership otherwise changes, the owner of the portion
5 of the parcel or property unit for which ownership did
6 not change shall refile the claim for credit.

7 5. The assessor shall remit the claims for
8 credit to the county auditor with the assessor's
9 recommendation for allowance or disallowance. If
10 the assessor recommends disallowance of a claim,
11 the assessor shall submit the reasons for the
12 recommendation, in writing, to the county auditor. The
13 county auditor shall forward the claims to the board
14 of supervisors. The board shall allow or disallow the
15 claims.

16 6. For each claim and allowance of a credit for
17 a property unit, the county auditor shall calculate
18 the average of all consolidated levy rates applicable
19 to the several parcels within the property unit. All
20 claims for credit which have been allowed by the board
21 of supervisors, the actual value of the improvements
22 to such parcels and property units applicable to
23 the fiscal year for which the credit is claimed
24 that are subject to assessment and taxation prior to
25 imposition of any applicable assessment limitation,
26 the consolidated levy rates for such parcels and the
27 average consolidated levy rates for such property units
28 applicable to the fiscal year for which the credit is
29 claimed, and the taxing districts in which the parcel
30 or property unit is located, shall be certified on or
31 before June 30, in each year, by the county auditor to
32 the department.

33 7. The assessor shall maintain a permanent file of
34 current business property tax credits. The assessor
35 shall file a notice of transfer of property for which a
36 credit has been allowed when notice is received from
37 the office of the county recorder, from the person
38 who sold or transferred the property, or from the
39 personal representative of a deceased property owner.
40 The county recorder shall give notice to the assessor
41 of each transfer of title filed in the recorder's
42 office. The notice from the county recorder shall
43 describe the property transferred, the name of the
44 person transferring title to the property, and the name
45 of the person to whom title to the property has been
46 transferred.

47 Sec. 6. NEW SECTION. 426C.4 Eligibility and amount
48 of credit.

49 1. Each parcel classified and taxed as commercial
50 property, industrial property, or railway property

1 under chapter 434, and improved with permanent
2 construction, is eligible for a credit under this
3 chapter. A person may claim and receive one credit
4 under this chapter for each eligible parcel unless
5 the parcel is part of a property unit. A person
6 may only claim and receive one credit under this
7 chapter for each property unit. A credit approved
8 for a property unit shall be allocated to the several
9 parcels within the property unit in the proportion
10 that each parcel's total amount of property taxes due
11 and payable attributable to the improvements bears to
12 the total amount of property taxes due and payable
13 attributable to the improvements for the property unit.
14 Only property units comprised of commercial property,
15 comprised of industrial property, or comprised of
16 railway property under chapter 434 are eligible for a
17 credit under this chapter.

18 2. Using the actual value of the improvements and
19 the consolidated levy rate for each parcel or the
20 average consolidated levy rate for each property unit,
21 as certified by the county auditor to the department
22 under section 426C.3, subsection 6, the department
23 shall calculate, for each fiscal year, an initial
24 amount of actual value of improvements for use in
25 determining the amount of the credit for each such
26 parcel or property unit so as to provide the maximum
27 possible credit according to the credit formula and
28 limitations under subsection 3, and to provide a
29 total dollar amount of credits against the taxes due
30 and payable in the fiscal year equal to ninety-eight
31 percent of the moneys in the fund following the deposit
32 of the total appropriation for the fiscal year.

33 3. a. The amount of the credit for each parcel or
34 property unit for which a claim for credit under this
35 chapter has been approved shall be calculated under
36 paragraph "b" using the lesser of the initial amount
37 of actual value of the improvements determined by the
38 department under subsection 2, and the actual value
39 of the improvements to the parcel or property unit as
40 certified by the county auditor under section 426C.3,
41 subsection 6.

42 b. The amount of the credit for each parcel or
43 property unit for which a claim for credit under
44 this chapter has been approved shall be equal to the
45 amount of actual value determined under paragraph "a"
46 multiplied by the difference, stated as a percentage,
47 between the assessment limitation applicable to
48 the parcel or property unit under section 441.21,
49 subsection 5, and the assessment limitation applicable
50 to residential property under section 441.21,

1 subsection 4, divided by one thousand dollars, and then
2 multiplied by the consolidated levy rate or average
3 consolidated levy rate for one thousand dollars of
4 taxable value applicable to the parcel or property unit
5 for the fiscal year for which the credit is claimed as
6 certified by the county auditor under section 426C.3,
7 subsection 6.

8 Sec. 7. NEW SECTION. 426C.5 Payment to counties.

9 1. Annually the department shall certify to the
10 county auditor of each county the amounts of the
11 business property tax credits allowed in the county.
12 Each county auditor shall then enter the credits
13 against the tax levied on each eligible parcel or
14 property unit in the county, designating on the tax
15 lists the credit as being from the fund. Each taxing
16 district shall receive its share of the business
17 property tax credit allowed on each eligible parcel
18 or property unit in such taxing district, in the
19 proportion that the levy made by such taxing district
20 upon the parcel or property unit bears to the total
21 levy upon the parcel or property unit by all taxing
22 districts imposing a property tax in such taxing
23 district. However, the several taxing districts
24 shall not draw the moneys so credited until after the
25 semiannual allocations have been received by the county
26 treasurer, as provided in this section. Each county
27 treasurer shall show on each tax receipt the amount of
28 credit received from the fund.

29 2. The director of the department of administrative
30 services shall issue warrants on the fund payable to
31 the county treasurers of the several counties of the
32 state under this chapter.

33 3. The amount due each county shall be paid in two
34 payments on November 15 and March 15 of each fiscal
35 year, drawn upon warrants payable to the respective
36 county treasurers. The two payments shall be as nearly
37 equal as possible.

38 Sec. 8. NEW SECTION. 426C.6 Appeals.

39 1. If the board of supervisors disallows a claim
40 for credit under section 426C.3, subsection 5, the
41 board of supervisors shall send written notice, by
42 mail, to the claimant at the claimant's last known
43 address. The notice shall state the reasons for
44 disallowing the claim for the credit. The board of
45 supervisors is not required to send notice that a claim
46 for credit is disallowed if the claimant voluntarily
47 withdraws the claim. Any person whose claim is denied
48 under the provisions of this chapter may appeal from
49 the action of the board of supervisors to the district
50 court of the county in which the parcel or property

1 unit is located by giving written notice of such appeal
2 to the county auditor within twenty days from the date
3 of mailing of notice of such action by the board of
4 supervisors.

5 2. If any claim for credit has been denied by the
6 board of supervisors, and such action is subsequently
7 reversed on appeal, the credit shall be allowed on the
8 applicable parcel or property unit, and the director of
9 revenue, the county auditor, and the county treasurer
10 shall provide the credit and change their books and
11 records accordingly. In the event the appealing
12 taxpayer has paid one or both of the installments of
13 the tax payable in the year or years in question,
14 remittance shall be made to such taxpayer of the amount
15 of such credit. The amount of such credit awarded on
16 appeal shall be allocated and paid from the balance
17 remaining in the fund.

18 Sec. 9. NEW SECTION. 426C.7 Audit ---- denial.

19 1. If on the audit of a credit provided under this
20 chapter, the director of revenue determines the amount
21 of the credit to have been incorrectly calculated or
22 that the credit is not allowable, the director shall
23 recalculate the credit and notify the taxpayer and the
24 county auditor of the recalculation or denial and the
25 reasons for it. The director shall not adjust a credit
26 after three years from October 31 of the year in which
27 the claim for the credit was filed. If the credit has
28 been paid, the director shall give notification to the
29 taxpayer, the county treasurer, and the applicable
30 assessor of the recalculation or denial of the credit
31 and the county treasurer shall proceed to collect the
32 tax owed in the same manner as other property taxes due
33 and payable are collected, if the parcel or property
34 unit for which the credit was allowed is still owned
35 by the taxpayer. If the parcel or property unit
36 for which the credit was allowed is not owned by the
37 taxpayer, the amount may be recovered from the taxpayer
38 by assessment in the same manner that income taxes are
39 assessed under sections 422.26 and 422.30. The amount
40 of such erroneous credit, when collected, shall be
41 deposited in the fund.

42 2. The taxpayer or board of supervisors may
43 appeal any decision of the director of revenue to the
44 state board of tax review pursuant to section 421.1,
45 subsection 5. The taxpayer, the board of supervisors,
46 or the director of revenue may seek judicial review
47 of the action of the state board of tax review in
48 accordance with chapter 17A.

49 Sec. 10. NEW SECTION. 426C.8 False claim ----
50 penalty.

1 A person who makes a false claim for the purpose of
2 obtaining a credit provided for in this chapter or who
3 knowingly receives the credit without being legally
4 entitled to it is guilty of a fraudulent practice. The
5 claim for a credit of such a person shall be disallowed
6 and if the credit has been paid the amount shall be
7 recovered in the manner provided in section 426C.7. In
8 such cases, the director of revenue shall send a notice
9 of disallowance of the credit.

10 Sec. 11. NEW SECTION. 426C.9 Rules.

11 The director of revenue shall prescribe forms,
12 instructions, and rules pursuant to chapter 17A, as
13 necessary, to carry out the purposes of this chapter.

14 Sec. 12. IMPLEMENTATION. Notwithstanding the
15 deadline for filing claims established in section
16 426C.3, for a credit against property taxes due and
17 payable during the fiscal year beginning July 1, 2012,
18 the claim for the credit shall be filed not later than
19 January 15, 2012.

20 Sec. 13. APPLICABILITY. This Act applies to
21 property taxes due and payable in fiscal years
22 beginning on or after July 1, 2012.>

23 2. Title page, by striking lines 1 through 5
24 and inserting <An Act establishing a property tax
25 credit for certain commercial, industrial, and
26 railway property, providing penalties, and including
27 applicability provisions.>

By THOMAS of Clayton

SENATE FILE 522

H-1716

1 Amend Senate File 522, as passed by the Senate, as
2 follows:

3 1. By striking everything after the enacting clause
4 and inserting:

<DIVISION I

EDUCATION FINANCE

7 Section 1. Section 257.1, subsection 2, paragraph
8 b, Code 2011, is amended by striking the paragraph and
9 inserting in lieu thereof the following:

10 b. (1) The regular program foundation base per
11 pupil is the following:

12 (a) For the budget year commencing July 1, 2011,
13 the regular program foundation base per pupil is
14 eighty-seven and five-tenths percent of the regular
15 program state cost per pupil.

16 (b) For the budget year commencing July 1, 2012,
17 the regular program foundation base per pupil is
18 eighty-nine and twenty-eight hundredths percent of the
19 regular program state cost per pupil.

20 (c) For the budget year commencing July 1, 2013,
21 the regular program foundation base per pupil is
22 ninety-one and six hundredths percent of the regular
23 program state cost per pupil.

24 (d) For the budget year commencing July 1, 2014,
25 the regular program foundation base per pupil is
26 ninety-two and eighty-four hundredths percent of the
27 regular program state cost per pupil.

28 (e) For the budget year commencing July 1, 2015,
29 the regular program foundation base per pupil is
30 ninety-four and sixty-two hundredths percent of the
31 regular program state cost per pupil.

32 (f) For the budget year commencing July 1, 2016,
33 the regular program foundation base per pupil is
34 ninety-six and forty hundredths percent of the regular
35 program state cost per pupil.

36 (g) For the budget year commencing July 1, 2017,
37 the regular program foundation base per pupil is
38 ninety-eight and eighteen hundredths percent of the
39 regular program state cost per pupil.

40 (h) For the budget year commencing July 1, 2018,
41 and succeeding budget years, the regular program
42 foundation base per pupil is one hundred percent of the
43 regular program state cost per pupil.

44 (2) For each budget year, the special education
45 support services foundation base is seventy-nine
46 percent of the special education support services state
47 cost per pupil. The combined foundation base is the
48 sum of the regular program foundation base, the special

49 education support services foundation base, the total
50 teacher salary supplement district cost, the total

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-1-

1 professional development supplement district cost, the
2 total early intervention supplement district cost, the
3 total area education agency teacher salary supplement
4 district cost, and the total area education agency
5 professional development supplement district cost.

6 DIVISION II

7 PROPERTY ASSESSMENT LIMITATIONS

8 Sec. 2. Section 441.21, subsection 4, Code 2011, is
9 amended to read as follows:

10 4. For valuations established as of January
11 1, 1979, the percentage of actual value at which
12 agricultural and residential property shall be assessed
13 shall be the quotient of the dividend and divisor as
14 defined in this section. The dividend for each class
15 of property shall be the dividend as determined for
16 each class of property for valuations established as
17 of January 1, 1978, adjusted by the product obtained
18 by multiplying the percentage determined for that year
19 by the amount of any additions or deletions to actual
20 value, excluding those resulting from the revaluation
21 of existing properties, as reported by the assessors
22 on the abstracts of assessment for 1978, plus six
23 percent of the amount so determined. However, if the
24 difference between the dividend so determined for
25 either class of property and the dividend for that
26 class of property for valuations established as of
27 January 1, 1978, adjusted by the product obtained by
28 multiplying the percentage determined for that year
29 by the amount of any additions or deletions to actual
30 value, excluding those resulting from the revaluation
31 of existing properties, as reported by the assessors
32 on the abstracts of assessment for 1978, is less than
33 six percent, the 1979 dividend for the other class of
34 property shall be the dividend as determined for that
35 class of property for valuations established as of
36 January 1, 1978, adjusted by the product obtained by
37 multiplying the percentage determined for that year
38 by the amount of any additions or deletions to actual
39 value, excluding those resulting from the revaluation
40 of existing properties, as reported by the assessors on
41 the abstracts of assessment for 1978, plus a percentage
42 of the amount so determined which is equal to the
43 percentage by which the dividend as determined for the
44 other class of property for valuations established as
45 of January 1, 1978, adjusted by the product obtained
46 by multiplying the percentage determined for that year
47 by the amount of any additions or deletions to actual
48 value, excluding those resulting from the revaluation
49 of existing properties, as reported by the assessors
50 on the abstracts of assessment for 1978, is increased

1 in arriving at the 1979 dividend for the other class
2 of property. The divisor for each class of property
3 shall be the total actual value of all such property
4 in the state in the preceding year, as reported by the
5 assessors on the abstracts of assessment submitted
6 for 1978, plus the amount of value added to said
7 total actual value by the revaluation of existing
8 properties in 1979 as equalized by the director of
9 revenue pursuant to section 441.49. The director shall
10 utilize information reported on abstracts of assessment
11 submitted pursuant to section 441.45 in determining
12 such percentage. For valuations established as of
13 January 1, 1980, and each assessment year thereafter
14 beginning before January 1, 2012, the percentage of
15 actual value as equalized by the director of revenue
16 as provided in section 441.49 at which agricultural
17 and residential property shall be assessed shall be
18 calculated in accordance with the methods provided
19 herein including the limitation of increases in
20 agricultural and residential assessed values to the
21 percentage increase of the other class of property if
22 the other class increases less than the allowable limit
23 adjusted to include the applicable and current values
24 as equalized by the director of revenue, except that
25 any references to six percent in this subsection shall
26 be four percent. For valuations established as of
27 January 1, 2012, and each assessment year thereafter,
28 the percentage of actual value as equalized by the
29 director of revenue as provided in section 441.49 at
30 which agricultural and residential property shall be
31 assessed shall be calculated in accordance with the
32 methods provided herein including the limitation of
33 increases in agricultural and residential assessed
34 values to the percentage increase of the other class
35 of property if the other class increases less than the
36 allowable limit adjusted to include the applicable and
37 current values as equalized by the director of revenue,
38 except that any references to six percent in this
39 subsection shall be two percent.

40 Sec. 3. Section 441.21, subsection 5, Code 2011, is
41 amended to read as follows:

42 5. a. ~~For valuations established as of January~~
43 ~~1, 1979, commercial property and industrial property,~~
44 ~~excluding properties referred to in section 427A.1,~~
45 ~~subsection 8, shall be assessed as a percentage of~~
46 ~~the actual value of each class of property. The~~
47 ~~percentage shall be determined for each class of~~
48 ~~property by the director of revenue for the state in~~
49 ~~accordance with the provisions of this section. For~~
50 ~~valuations established as of January 1, 1979, the~~

~~1 percentage shall be the quotient of the dividend and
2 divisor as defined in this section. The dividend
3 for each class of property shall be the total actual
4 valuation for each class of property established for
5 1978, plus six percent of the amount so determined.
6 The divisor for each class of property shall be the
7 valuation for each class of property established for
8 1978, as reported by the assessors on the abstracts
9 of assessment for 1978, plus the amount of value
10 added to the total actual value by the revaluation
11 of existing properties in 1979 as equalized by the
12 director of revenue pursuant to section 441.49. For
13 valuations established as of January 1, 1979, property
14 valued by the department of revenue pursuant to
15 chapters 428, 433, 437, and 438 shall be considered
16 as one class of property and shall be assessed as a
17 percentage of its actual value. The percentage shall
18 be determined by the director of revenue in accordance
19 with the provisions of this section. For valuations
20 established as of January 1, 1979, the percentage
21 shall be the quotient of the dividend and divisor as
22 defined in this section. The dividend shall be the
23 total actual valuation established for 1978 by the
24 department of revenue, plus ten percent of the amount
25 so determined. The divisor for property valued by
26 the department of revenue pursuant to chapters 428,
27 433, 437, and 438 shall be the valuation established
28 for 1978, plus the amount of value added to the total
29 actual value by the revaluation of the property by
30 the department of revenue as of January 1, 1979.
31 For valuations established as of January 1, 1980,
32 commercial property and industrial property, excluding
33 properties referred to in section 427A.1, subsection
34 8, shall be assessed at a percentage of the actual
35 value of each class of property. The percentage
36 shall be determined for each class of property by
37 the director of revenue for the state in accordance
38 with the provisions of this section. For valuations
39 established as of January 1, 1980, the percentage
40 shall be the quotient of the dividend and divisor as
41 defined in this section. The dividend for each class
42 of property shall be the dividend as determined for
43 each class of property for valuations established as
44 of January 1, 1979, adjusted by the product obtained
45 by multiplying the percentage determined for that year
46 by the amount of any additions or deletions to actual
47 value, excluding those resulting from the revaluation
48 of existing properties, as reported by the assessors
49 on the abstracts of assessment for 1979, plus four
50 percent of the amount so determined. The divisor~~

~~1 for each class of property shall be the total actual~~
~~2 value of all such property in 1979, as equalized by~~
~~3 the director of revenue pursuant to section 441.49,~~
~~4 plus the amount of value added to the total actual~~
~~5 value by the revaluation of existing properties in~~
~~6 1980. The director shall utilize information reported~~
~~7 on the abstracts of assessment submitted pursuant~~
~~8 to section 441.45 in determining such percentage.~~
9 For valuations established as of January 1, 1980,
10 property valued by the department of revenue pursuant
11 to chapters 428, 433, 437, and 438 shall be assessed
12 at a percentage of its actual value. The percentage
13 shall be determined by the director of revenue in
14 accordance with the provisions of this section. For
15 valuations established as of January 1, 1980, the
16 percentage shall be the quotient of the dividend and
17 divisor as defined in this section. The dividend shall
18 be the total actual valuation established for 1979 by
19 the department of revenue, plus eight percent of the
20 amount so determined. The divisor for property valued
21 by the department of revenue pursuant to chapters 428,
22 433, 437, and 438 shall be the valuation established
23 for 1979, plus the amount of value added to the total
24 actual value by the revaluation of the property by
25 the department of revenue as of January 1, 1980. ~~For~~
~~26 valuations established as of January 1, 1981, and~~
~~27 each year thereafter, the percentage of actual value~~
~~28 as equalized by the director of revenue as provided~~
~~29 in section 441.49 at which commercial property and~~
~~30 industrial property, excluding properties referred to~~
~~31 in section 427A.1, subsection 8, shall be assessed~~
~~32 shall be calculated in accordance with the methods~~
~~33 provided herein, except that any references to six~~
~~34 percent in this subsection shall be four percent.~~ For
35 valuations established as of January 1, 1981, and
36 each year thereafter, the percentage of actual value
37 at which property valued by the department of revenue
38 pursuant to chapters 428, 433, 437, and 438 shall be
39 assessed shall be calculated in accordance with the
40 methods provided herein, except that any references
41 to ten percent in this subsection shall be eight
42 percent. Beginning with valuations established as of
43 January 1, 1979, and each assessment year thereafter
44 beginning before January 1, 2012, property valued
45 by the department of revenue pursuant to chapter 434
46 shall also be assessed at a percentage of its actual
47 value which percentage shall be equal to the percentage
48 determined by the director of revenue for commercial
49 property, industrial property, or property valued by
50 the department of revenue pursuant to chapters 428,

1 433, 437, and 438, whichever is lowest. Beginning with
2 valuations established as of January 1, 2012, and each
3 assessment year thereafter, property valued by the
4 department of revenue pursuant to chapter 434 shall
5 be assessed at a percentage of its actual value equal
6 to the percentage of actual value at which commercial
7 property is assessed for the same assessment year.

8 b. For valuations established on or after January
9 1, 2012, commercial property, excluding properties
10 referred to in section 427A.1, subsection 8, shall
11 be assessed as a percentage of the actual value, as
12 determined in this paragraph.

13 (1) For valuations established for the assessment
14 year beginning January 1, 2012, the percentage of
15 actual value as equalized by the director of revenue as
16 provided in section 441.49 at which commercial property
17 shall be assessed shall be ninety-two percent.

18 (2) For valuations established for the assessment
19 year beginning January 1, 2013, the percentage of
20 actual value as equalized by the director of revenue as
21 provided in section 441.49 at which commercial property
22 shall be assessed shall be eighty-four percent.

23 (3) For valuations established for the assessment
24 year beginning January 1, 2014, the percentage of
25 actual value as equalized by the director of revenue as
26 provided in section 441.49 at which commercial property
27 shall be assessed shall be seventy-six percent.

28 (4) For valuations established for the assessment
29 year beginning January 1, 2015, the percentage of
30 actual value as equalized by the director of revenue as
31 provided in section 441.49 at which commercial property
32 shall be assessed shall be sixty-eight percent.

33 (5) For valuations established for the assessment
34 year beginning January 1, 2016, and each assessment
35 year thereafter, the percentage of actual value as
36 equalized by the director of revenue as provided in
37 section 441.49 at which commercial property shall be
38 assessed shall be sixty percent.

39 c. For valuations established on or after January
40 1, 2012, industrial property, excluding properties
41 referred to in section 427A.1, subsection 8, shall
42 be assessed as a percentage of the actual value, as
43 determined in this paragraph.

44 (1) For valuations established for the assessment
45 year beginning January 1, 2012, the percentage of
46 actual value as equalized by the director of revenue as
47 provided in section 441.49 at which industrial property
48 shall be assessed shall be ninety-two percent.

49 (2) For valuations established for the assessment
50 year beginning January 1, 2013, the percentage of

1 actual value as equalized by the director of revenue as
2 provided in section 441.49 at which industrial property
3 shall be assessed shall be eighty-four percent.

4 (3) For valuations established for the assessment
5 year beginning January 1, 2014, the percentage of
6 actual value as equalized by the director of revenue as
7 provided in section 441.49 at which industrial property
8 shall be assessed shall be seventy-six percent.

9 (4) For valuations established for the assessment
10 year beginning January 1, 2015, the percentage of
11 actual value as equalized by the director of revenue as
12 provided in section 441.49 at which industrial property
13 shall be assessed shall be sixty-eight percent.

14 (5) For valuations established for the assessment
15 year beginning January 1, 2016, and each assessment
16 year thereafter, the percentage of actual value as
17 equalized by the director of revenue as provided in
18 section 441.49 at which industrial property shall be
19 assessed shall be sixty percent.

20 Sec. 4. NEW SECTION. 441.21A Legislative intent.

21 1. It is the intent of the general assembly that
22 appropriations be made annually to reimburse local
23 taxing authorities in this state for reductions in
24 property tax collections on commercial and industrial
25 property as a result of the assessment limitations
26 on such property established under section 441.21,
27 subsection 5, paragraphs "b" and "c", in the following
28 amounts:

29 a. For the fiscal year beginning July 1, 2013,
30 fifty million dollars.

31 b. For the fiscal year beginning July 1, 2014, one
32 hundred million dollars.

33 c. For the fiscal year beginning July 1, 2015, one
34 hundred fifty million dollars.

35 d. For the fiscal year beginning July 1, 2016, two
36 hundred million dollars.

37 e. For the fiscal year beginning July 1, 2017, and
38 each fiscal year thereafter, two hundred fifty million
39 dollars.

40 2. The committee on ways and means of the senate
41 and the committee on ways and means of the house of
42 representatives shall each conduct an annual review of
43 the implementation and fiscal impact of the commercial
44 and industrial property assessment limitations
45 established under section 441.21, subsection 5,
46 paragraphs "b" and "c", on local taxing authorities in
47 this state.

48 Sec. 5. SAVINGS PROVISION. This division of this
49 Act, pursuant to section 4.13, does not affect the
50 operation of, or prohibit the application of, prior

1 provisions of section 441.21, or rules adopted under
2 chapter 17A to administer prior provisions of section
3 441.21, for assessment years beginning before January
4 1, 2012, and for duties, powers, protests, appeals,
5 proceedings, actions, or remedies attributable to an
6 assessment year beginning before January 1, 2012.

7 Sec. 6. APPLICABILITY. This division of this Act
8 applies to property tax assessment years beginning on
9 or after January 1, 2012.

10 DIVISION III

11 COUNTY AND CITY BUDGET LIMITATION

12 Sec. 7. Section 23A.2, subsection 10, paragraph h,
13 Code 2011, is amended to read as follows:

14 h. The performance of an activity listed in
15 section 331.424, Code 2011, as a service ~~for~~ which a
16 ~~supplemental levy~~ county may be certified include in
17 its budget.

18 Sec. 8. Section 28M.5, subsection 2, Code 2011, is
19 amended to read as follows:

20 2. If a regional transit district budget allocates
21 revenue responsibilities to the board of supervisors
22 of a participating county, the amount of the regional
23 transit district levy that is the responsibility of the
24 participating county shall be deducted from the maximum
25 ~~rates~~ amount of taxes authorized to be levied by the
26 county pursuant to section 331.423, ~~subsections 1 and~~
27 ~~2~~ subsection 3, paragraphs "b" and "c", as applicable,
28 unless the county meets its revenue responsibilities as
29 allocated in the budget from other available revenue
30 sources. However, for a regional transit district
31 that includes a county with a population of less than
32 three hundred thousand, the amount of the regional
33 transit district levy that is the responsibility of
34 such participating county shall be deducted from the
35 maximum ~~rate~~ amount of taxes authorized to be levied
36 by the county pursuant to section 331.423, subsection
37 ~~± 3~~, paragraph "b".

38 Sec. 9. Section 123.38, subsection 2, Code 2011, is
39 amended to read as follows:

40 2. Any licensee or permittee, or the licensee's
41 or permittee's executor or administrator, or any
42 person duly appointed by the court to take charge of
43 and administer the property or assets of the licensee
44 or permittee for the benefit of the licensee's or
45 permittee's creditors, may voluntarily surrender a
46 license or permit to the division. When a license
47 or permit is surrendered the division shall notify
48 the local authority, and the division or the local
49 authority shall refund to the person surrendering the
50 license or permit, a proportionate amount of the fee

1 received by the division or the local authority for
2 the license or permit as follows: if a license or
3 permit is surrendered during the first three months
4 of the period for which it was issued, the refund
5 shall be three-fourths of the amount of the fee;
6 if surrendered more than three months but not more
7 than six months after issuance, the refund shall be
8 one-half of the amount of the fee; if surrendered more
9 than six months but not more than nine months after
10 issuance, the refund shall be one-fourth of the amount
11 of the fee. No refund shall be made, however, for
12 any special liquor permit, nor for a liquor control
13 license, wine permit, or beer permit surrendered more
14 than nine months after issuance. For purposes of this
15 subsection, any portion of license or permit fees
16 used for the purposes authorized in section 331.424,
17 subsection 1, paragraph "a", subparagraphs (1) and
18 (2), Code 2011, and in section 331.424A, shall not be
19 deemed received either by the division or by a local
20 authority. No refund shall be made to any licensee or
21 permittee, upon the surrender of the license or permit,
22 if there is at the time of surrender, a complaint filed
23 with the division or local authority, charging the
24 licensee or permittee with a violation of this chapter.
25 If upon a hearing on a complaint the license or permit
26 is not revoked or suspended, then the licensee or
27 permittee is eligible, upon surrender of the license
28 or permit, to receive a refund as provided in this
29 section; but if the license or permit is revoked or
30 suspended upon hearing the licensee or permittee is not
31 eligible for the refund of any portion of the license
32 or permit fee.

33 Sec. 10. Section 218.99, Code 2011, is amended to
34 read as follows:

35 218.99 Counties to be notified of patients' personal
36 accounts.

37 The administrator in control of a state institution
38 shall direct the business manager of each institution
39 under the administrator's jurisdiction ~~which is~~
40 ~~mentioned in section 331.424, subsection 1, paragraph~~
41 ~~"a", subparagraphs (1) and (2), and for which services~~
42 are paid under section 331.424A, to quarterly inform
43 the county of legal settlement's entity designated to
44 perform the county's central point of coordination
45 process of any patient or resident who has an amount
46 in excess of two hundred dollars on account in the
47 patients' personal deposit fund and the amount on
48 deposit. The administrators shall direct the business
49 manager to further notify the entity designated to
50 perform the county's central point of coordination

1 process at least fifteen days before the release of
2 funds in excess of two hundred dollars or upon the
3 death of the patient or resident. If the patient or
4 resident has no county of legal settlement, notice
5 shall be made to the director of human services and the
6 administrator in control of the institution involved.

7 Sec. 11. Section 331.263, subsection 2, Code 2011,
8 is amended to read as follows:

9 2. The governing body of the community commonwealth
10 shall have the authority to levy county taxes and shall
11 have the authority to levy city taxes to the extent the
12 city tax levy authority is transferred by the charter
13 to the community commonwealth. A city participating
14 in the community commonwealth shall transfer a portion
15 of the city's tax levy authorized under section 384.1
16 or 384.12, whichever is applicable, to the governing
17 body of the community commonwealth. The maximum
18 ~~rates~~ amount of taxes authorized to be levied under
19 ~~sections~~ section 384.1 and the maximum amount of taxes
20 authorized to be levied under section 384.12 by a city
21 participating in the community commonwealth shall be
22 reduced by an amount equal to the rates of the same or
23 similar taxes levied in the city by the governing body
24 of the community commonwealth.

25 Sec. 12. Section 331.301, subsection 12, Code 2011,
26 is amended to read as follows:

27 12. The board of supervisors may credit funds to
28 a reserve for the purposes authorized by subsection
29 11 of this section; ~~section 331.424, subsection 1,~~
30 ~~paragraph "a", subparagraph (6);~~ and section 331.441,
31 subsection 2, paragraph "b". Moneys credited to the
32 reserve, and interest earned on such moneys, shall
33 remain in the reserve until expended for purposes
34 authorized by subsection 11 of this section; ~~section~~
35 ~~331.424, subsection 1, paragraph "a", subparagraph (6);~~
36 or section 331.441, subsection 2, paragraph "b".

37 Sec. 13. Section 331.421, subsections 1 and 10,
38 Code 2011, are amended by striking the subsections.

39 Sec. 14. Section 331.421, Code 2011, is amended by
40 adding the following new subsection:

41 NEW SUBSECTION. 7A. "Item" means a budgeted
42 expenditure, appropriation, or cash reserve from a
43 fund for a service area, program, program element, or
44 purpose.

45 Sec. 15. Section 331.423, Code 2011, is amended by
46 striking the section and inserting in lieu thereof the
47 following:

48 331.423 Property tax dollars ---- maximums.

49 1. Annually, the board shall determine separate
50 property tax levy limits to pay for general county

1 services and rural county services in accordance with
2 this section. The property tax levies separately
3 certified for general county services and rural county
4 services under section 331.434 shall not raise property
5 tax dollars that exceed the amount determined under
6 this section.

7 2. For purposes of this section and section
8 331.423B, unless the context otherwise requires:

9 a. "Annual growth factor" means an index, expressed
10 as a percentage, determined by the department of
11 management by January 1 of the calendar year in which
12 the budget year begins. In determining the annual
13 growth factor, the department shall calculate the
14 average of the preceding twelve-month percentage
15 change, which shall be computed on a monthly basis,
16 in the midwest consumer price index, ending with the
17 percentage change for the month of November. The
18 department shall then add that average percentage
19 change to one hundred percent. In no case, however,
20 shall the annual growth factor exceed one hundred four
21 percent.

22 b. "Boundary adjustment" means annexation,
23 severance, incorporation, or discontinuance as those
24 terms are defined in section 368.1.

25 c. "Budget year" is the fiscal year beginning
26 during the calendar year in which a budget is
27 certified.

28 d. "Current fiscal year" is the fiscal year
29 ending during the calendar year in which a budget is
30 certified.

31 e. "Net new valuation taxes" means the amount of
32 property tax dollars equal to the current fiscal year's
33 levy rate in the county for general county services or
34 for rural county services, as applicable, multiplied by
35 the increase from the current fiscal year to the budget
36 year in taxable valuation due to the following:

37 (1) Net new construction, excluding all incremental
38 valuation that is released in any one year from a
39 division of revenue under section 260E.4 or an urban
40 renewal area for which taxes were being divided under
41 section 403.19 if the property for the valuation being
42 released remains subject to the division of revenue
43 under section 260E.4 or remains part of the urban
44 renewal area that is subject to a division of revenue
45 under section 403.19.

46 (2) Additions or improvements to existing
47 structures.

48 (3) Remodeling of existing structures for which a
49 building permit is required.

50 (4) Net boundary adjustment.

1 (5) A municipality no longer dividing tax revenues
2 in an urban renewal area as provided in section 403.19
3 or a community college no longer dividing revenues as
4 provided in section 260E.4.

5 (6) That portion of taxable property located in an
6 urban revitalization area on which an exemption was
7 allowed and such exemption has expired.

8 3. a. For the fiscal year beginning July 1, 2012,
9 and subsequent fiscal years, the maximum amount of
10 property tax dollars which may be certified for levy by
11 a county for general county services and rural county
12 services shall be the maximum property tax dollars
13 calculated under paragraphs "b" and "c", respectively.

14 b. The maximum property tax dollars that may be
15 levied for general county services is an amount equal
16 to the sum of the following:

17 (1) The annual growth factor times the current
18 fiscal year's maximum property tax dollars for general
19 county services.

20 (2) The amount of net new valuation taxes in the
21 county.

22 c. The maximum property tax dollars that may be
23 levied for rural county services is an amount equal to
24 the sum of the following:

25 (1) The annual growth factor times the current
26 fiscal year's maximum property tax dollars for rural
27 county services.

28 (2) The amount of net new valuation taxes in the
29 unincorporated area of the county.

30 4. a. For purposes of calculating maximum property
31 tax dollars for general county services for the fiscal
32 year beginning July 1, 2012, only, the term "current
33 fiscal year's maximum property tax dollars" shall mean
34 the total amount of property tax dollars certified by
35 the county for general county services for the fiscal
36 year beginning July 1, 2011.

37 b. For purposes of calculating maximum property tax
38 dollars for rural county services for the fiscal year
39 beginning July 1, 2012, only, the term "current fiscal
40 year's maximum property tax dollars" shall mean the
41 total amount of property tax dollars certified by the
42 county for rural county services for the fiscal year
43 beginning July 1, 2011.

44 5. Property taxes certified for deposit in the
45 mental health, mental retardation, and developmental
46 disabilities services fund in section 331.424A, the
47 emergency services fund in section 331.424C, the debt
48 service fund in section 331.430, any capital projects
49 fund established by the county for deposit of bond,
50 loan, or note proceeds, and any temporary increase

1 approved pursuant to section 331.424, are not included
2 in the maximum amount of property tax dollars that may
3 be certified for a budget year under subsection 3.

4 6. The department of management, in consultation
5 with the county finance committee, shall adopt rules
6 to administer this section. The department shall
7 prescribe forms to be used by counties when making
8 calculations required by this section.

9 Sec. 16. NEW SECTION. 331.423B Ending fund
10 balance.

11 1. a. Budgeted ending fund balances for a budget
12 year in excess of twenty-five percent of budgeted
13 expenditures in either the general fund or rural
14 services fund for that budget year shall be explicitly
15 reserved or designated for a specific purpose.

16 b. A county is encouraged, but not required, to
17 reduce budgeted, unreserved, or undesignated ending
18 fund balances for the budget year to an amount equal
19 to approximately twenty-five percent of budgeted
20 expenditures and transfers from the general fund
21 and rural services fund for that budget year unless
22 a decision is certified by the state appeal board
23 ordering a reduction in the ending fund balance of any
24 of those funds.

25 c. In a protest to the county budget under section
26 331.436, the county shall have the burden of proving
27 that the budgeted balances in excess of twenty-five
28 percent are reasonably likely to be appropriated for
29 the explicitly reserved or designated specific purpose.
30 The excess budgeted balance for the specific purpose
31 shall be considered an increase in an item in the
32 budget for purposes of section 24.28.

33 2. a. For a county that has, as of June 30, 2011,
34 reduced its actual ending fund balance to less than
35 twenty-five percent of actual expenditures, additional
36 property taxes may be computed and levied as provided
37 in this subsection. The additional property tax levy
38 amount is an amount not to exceed twenty-five percent
39 of actual expenditures from the general fund and rural
40 services fund for the fiscal year beginning July 1,
41 2010, minus the combined ending fund balances for those
42 funds for that year.

43 b. The amount of the additional property taxes
44 shall be apportioned between the general fund and the
45 rural services fund. However, the amount apportioned
46 for general county services and for rural county
47 services shall not exceed for each fund twenty-five
48 percent of actual expenditures for the fiscal year
49 beginning July 1, 2010.

50 c. All or a portion of additional property tax

1 dollars may be levied for the purpose of increasing
2 cash reserves for general county services and rural
3 county services in the budget year. The additional
4 property tax dollars authorized under this subsection
5 but not levied may be carried forward as unused ending
6 fund balance taxing authority until and for the fiscal
7 year beginning July 1, 2017. The amount carried
8 forward shall not exceed twenty-five percent of the
9 maximum amount of property tax dollars available in
10 the current fiscal year. Additionally, property taxes
11 that are levied as unused ending fund balance taxing
12 authority under this subsection may be the subject of
13 a protest under section 331.436, and the amount will
14 be considered an increase in an item in the budget for
15 purposes of section 24.28. The amount of additional
16 property taxes levied under this subsection shall not
17 be included in the computation of the maximum amount of
18 property tax dollars which may be certified and levied
19 under section 331.423.

20 Sec. 17. Section 331.424, Code 2011, is amended by
21 striking the section and inserting in lieu thereof the
22 following:

23 331.424 Authority to levy beyond maximum property
24 tax dollars.

25 1. The board may certify additions to the maximum
26 amount of property tax dollars to be levied for
27 a period of time not to exceed two years if the
28 proposition has been submitted at a special election
29 and received a favorable majority of the votes cast on
30 the proposition.

31 2. The special election is subject to the
32 following:

33 a. The board must give at least thirty-two days'
34 notice to the county commissioner of elections that the
35 special election is to be held. In no case, however,
36 shall a notice be given to the county commissioner
37 of elections after December 31 for an election on a
38 proposition to exceed the statutory limits during the
39 fiscal year beginning in the next calendar year.

40 b. The special election shall be conducted by the
41 county commissioner of elections in accordance with
42 law.

43 c. The proposition to be submitted shall be
44 substantially in the following form:

45 Vote "yes" or "no" on the following: Shall the
46 county of _____ levy for an additional \$_____ each
47 year for ____ years beginning July 1, _____, in excess
48 of the statutory limits otherwise applicable for the
49 (general county services or rural services) fund?

50 d. The canvass shall be held beginning at 1:00 p.m.

1 on the second day which is not a holiday following the
2 special election.

3 e. Notice of the special election shall be
4 published at least once in a newspaper as specified
5 in section 331.305 prior to the date of the special
6 election. The notice shall appear as early as
7 practicable after the board has voted to submit a
8 proposition to the voters to levy additional property
9 tax dollars.

10 3. Registered voters in the county may vote on the
11 proposition to increase property taxes for the general
12 fund in excess of the statutory limit. Registered
13 voters residing outside the corporate limits of a
14 city within the county may vote on the proposition to
15 increase property taxes for the rural services fund in
16 excess of the statutory limit.

17 4. The amount of additional property tax dollars
18 certified under this section shall not be included in
19 the computation of the maximum amount of property tax
20 dollars which may be certified and levied under section
21 331.423.

22 Sec. 18. Section 331.424A, subsection 4, Code 2011,
23 is amended to read as follows:

24 4. For the fiscal year beginning July 1, 1996,
25 and for each subsequent fiscal year, the county shall
26 certify a levy for payment of services. For each
27 fiscal year, county revenues from taxes imposed by the
28 county credited to the services fund shall not exceed
29 an amount equal to the amount of base year expenditures
30 for services as defined in section 331.438, less the
31 amount of property tax relief to be received pursuant
32 to section 426B.2, in the fiscal year for which the
33 budget is certified. The county auditor and the
34 board of supervisors shall reduce the amount of the
35 levy certified for the services fund by the amount of
36 property tax relief to be received. A levy certified
37 under this section is not subject to ~~the appeal~~
38 ~~provisions of section 331.426 or to~~ any other provision
39 in law authorizing a county to exceed, increase, or
40 appeal a property tax levy limit.

41 Sec. 19. Section 331.427, subsection 3, paragraph
42 1, Code 2011, is amended to read as follows:

43 1. Services listed in section 331.424, subsection
44 1, Code 2011, and section 331.554.

45 Sec. 20. Section 331.428, subsection 2, paragraph
46 d, Code 2011, is amended to read as follows:

47 d. Services listed under section 331.424,
48 subsection 2, Code 2011.

49 Sec. 21. Section 331.434, subsection 1, Code 2011,
50 is amended to read as follows:

1 1. The budget shall show the amount required for
2 each class of proposed expenditures, a comparison of
3 the amounts proposed to be expended with the amounts
4 expended for like purposes for the two preceding years,
5 the revenues from sources other than property taxation,
6 and the amount to be raised by property taxation, in
7 the detail and form prescribed by the director of the
8 department of management. For each county that has
9 established an urban renewal area, the budget shall
10 include estimated and actual tax increment financing
11 revenues and all estimated and actual expenditures of
12 the revenues, proceeds from debt and all estimated
13 and actual expenditures of the debt proceeds, and
14 identification of any entity receiving a direct payment
15 of taxes funded by tax increment financing revenues
16 and shall include the total amount of loans, advances,
17 indebtedness, or bonds outstanding at the close of
18 the most recently ended fiscal year, which qualify
19 for payment from the special fund created in section
20 403.19, including interest negotiated on such loans,
21 advances, indebtedness, or bonds. For purposes of this
22 subsection, "indebtedness" includes written agreements
23 whereby the county agrees to suspend, abate, exempt,
24 rebate, refund, or reimburse property taxes, provide a
25 grant for property taxes paid, or make a direct payment
26 of taxes, with moneys in the special fund. The amount
27 of loans, advances, indebtedness, or bonds shall be
28 listed in the aggregate for each county reporting. ~~The~~
29 ~~county finance committee, in consultation with the~~
30 ~~department of management and the legislative services~~
31 ~~agency, shall determine reporting criteria and shall~~
32 ~~prepare a form for reports filed with the department~~
33 ~~pursuant to this section. The department shall make~~
34 ~~the information available by electronic means.~~

35 Sec. 22. Section 373.10, Code 2011, is amended to
36 read as follows:

37 373.10 Taxing authority.

38 The metropolitan council shall have the authority
39 to levy city taxes to the extent the city tax levy
40 authority is transferred by the charter to the
41 metropolitan council. A member city shall transfer
42 a portion of the city's tax levy authorized under
43 section 384.1 or 384.12, whichever is applicable, to
44 the metropolitan council. The maximum ~~rates~~ amount of
45 taxes authorized to be levied under ~~sections~~ section
46 384.1 and the taxes authorized to be levied under
47 section 384.12 by a member city shall be reduced by an
48 amount equal to the rates of the same or similar taxes
49 levied in the city by the metropolitan council.

50 Sec. 23. Section 384.1, Code 2011, is amended by

1 striking the section and inserting in lieu thereof the
2 following:

3 384.1 Property tax dollars ---- maximums.

4 1. A city shall certify taxes to be levied by the
5 city on all taxable property within the city limits,
6 for all city government purposes. Annually, the city
7 council may certify basic levies for city government
8 purposes, subject to the limitation on property tax
9 dollars provided in this section.

10 2. For purposes of this section and section 384.1B,
11 unless the context otherwise requires:

12 a. "Annual growth factor" means an index, expressed
13 as a percentage, determined by the department of
14 management by January 1 of the calendar year in which
15 the budget year begins. In determining the annual
16 growth factor, the department shall calculate the
17 average of the preceding twelve-month percentage
18 change, which shall be computed on a monthly basis,
19 in the midwest consumer price index, ending with the
20 percentage change for the month of November. The
21 department shall then add that average percentage
22 change to one hundred percent. In no case, however,
23 shall the annual growth factor exceed one hundred four
24 percent.

25 b. "Boundary adjustment" means annexation,
26 severance, incorporation, or discontinuance as those
27 terms are defined in section 368.1.

28 c. "Budget year" is the fiscal year beginning
29 during the calendar year in which a budget is
30 certified.

31 d. "Current fiscal year" is the fiscal year
32 ending during the calendar year in which a budget is
33 certified.

34 e. "Net new valuation taxes" means the amount of
35 property tax dollars equal to the current fiscal year's
36 levy rate in the city for the general fund multiplied
37 by the increase from the current fiscal year to the
38 budget year in taxable valuation due to the following:

39 (1) Net new construction, excluding all incremental
40 valuation that is released in any one year from a
41 division of revenue under section 260E.4 or an urban
42 renewal area for which taxes were being divided under
43 section 403.19 if the property for the valuation being
44 released remains subject to the division of revenue
45 under section 260E.4 or remains part of the urban
46 renewal area that is subject to a division of revenue
47 under section 403.19.

48 (2) Additions or improvements to existing
49 structures.

50 (3) Remodeling of existing structures for which a

1 building permit is required.

2 (4) Net boundary adjustment.

3 (5) A municipality no longer dividing tax revenues
4 in an urban renewal area as provided in section 403.19
5 or a community college no longer dividing revenues as
6 provided in section 260E.4.

7 (6) That portion of taxable property located in an
8 urban revitalization area on which an exemption was
9 allowed and such exemption has expired.

10 3. a. For the fiscal year beginning July 1, 2012,
11 and subsequent fiscal years, the maximum amount of
12 property tax dollars which may be certified for levy
13 by a city for the general fund shall be the maximum
14 property tax dollars calculated under paragraph "b".

15 b. The maximum property tax dollars that may be
16 levied for deposit in the general fund is an amount
17 equal to the sum of the following:

18 (1) The annual growth factor times the current
19 fiscal year's maximum property tax dollars for the
20 general fund.

21 (2) The amount of net new valuation taxes in the
22 city.

23 4. For purposes of calculating maximum property tax
24 dollars for the city general fund for the fiscal year
25 beginning July 1, 2012, only, the term "current fiscal
26 year's maximum property tax dollars" shall mean the
27 total amount of property tax dollars certified by the
28 city for the city's general fund for the fiscal year
29 beginning July 1, 2011.

30 5. Property taxes certified for deposit in the
31 debt service fund in section 384.4, trust and agency
32 funds in section 384.6, capital improvements reserve
33 fund in section 384.7, the emergency fund in section
34 384.8, any capital projects fund established by the
35 city for deposit of bond, loan, or note proceeds,
36 any temporary increase approved pursuant to section
37 384.12A, property taxes collected from a voted levy
38 in section 384.12, and property taxes levied under
39 section 384.12, subsection 18, are not counted against
40 the maximum amount of property tax dollars that may be
41 certified for a fiscal year under subsection 3.

42 6. Notwithstanding the maximum amount of taxes
43 a city may certify for levy, the tax levied by a
44 city on tracts of land and improvements on the
45 tracts of land used and assessed for agricultural or
46 horticultural purposes shall not exceed three dollars
47 and three-eighths cents per thousand dollars of
48 assessed value in any year. Improvements located on
49 such tracts of land and not used for agricultural or
50 horticultural purposes and all residential dwellings

1 are subject to the same rate of tax levied by the city
2 on all other taxable property within the city.

3 7. The department of management, in consultation
4 with the city finance committee, shall adopt rules
5 to administer this section. The department shall
6 prescribe forms to be used by cities when making
7 calculations required by this section.

8 Sec. 24. NEW SECTION. 384.1B Ending fund balance.

9 1. a. Budgeted ending fund balances for a budget
10 year in excess of twenty-five percent of budgeted
11 expenditures from the general fund for that budget
12 year shall be explicitly reserved or designated for a
13 specific purpose.

14 b. A city is encouraged, but not required, to
15 reduce budgeted, unreserved, or undesignated ending
16 fund balances for the budget year to an amount equal
17 to approximately twenty-five percent of budgeted
18 expenditures and transfers from the general fund for
19 that budget year unless a decision is certified by the
20 state appeal board ordering a reduction in the ending
21 fund balance of the fund.

22 c. In a protest to the city budget under section
23 384.19, the city shall have the burden of proving
24 that the budgeted balances in excess of twenty-five
25 percent are reasonably likely to be appropriated for
26 the explicitly reserved or designated specific purpose.
27 The excess budgeted balance for the specific purpose
28 shall be considered an increase in an item in the
29 budget for purposes of section 24.28.

30 2. a. For a city that has, as of June 30,
31 2011, reduced its ending fund balance to less than
32 twenty-five percent of actual expenditures, additional
33 property taxes may be computed and levied as provided
34 in this subsection. The additional property tax levy
35 amount is an amount not to exceed the difference
36 between twenty-five percent of actual expenditures for
37 city government purposes for the fiscal year beginning
38 July 1, 2010, minus the ending fund balance for that
39 year.

40 b. All or a portion of additional property tax
41 dollars may be levied for the purpose of increasing
42 cash reserves for city government purposes in the
43 budget year. The additional property tax dollars
44 authorized under this subsection but not levied may be
45 carried forward as unused ending fund balance taxing
46 authority until and for the fiscal year beginning
47 July 1, 2017. The amount carried forward shall not
48 exceed twenty-five percent of the maximum amount of
49 property tax dollars available in the current fiscal
50 year. Additionally, property taxes that are levied

1 as unused ending fund balance taxing authority under
2 this subsection may be the subject of a protest under
3 section 384.19, and the amount will be considered an
4 increase in an item in the budget for purposes of
5 section 24.28. The amount of additional property tax
6 dollars levied under this subsection shall not be
7 included in the computation of the maximum amount of
8 property tax dollars which may be certified and levied
9 under section 384.1.

10 Sec. 25. Section 384.12, subsection 20, Code 2011,
11 is amended by striking the subsection.

12 Sec. 26. NEW SECTION. 384.12A Authority to levy
13 beyond maximum property tax dollars.

14 1. The city council may certify additions to the
15 maximum amount of property tax dollars to be levied
16 for a period of time not to exceed two years if the
17 proposition has been submitted at a special election
18 and received a favorable majority of the votes cast on
19 the proposition.

20 2. The special election is subject to the
21 following:

22 a. The city council must give at least thirty-two
23 days' notice to the county commissioner of elections
24 that the special election is to be held. In no
25 case, however, shall a notice be given to the county
26 commissioner of elections after December 31 for an
27 election on a proposition to exceed the statutory
28 limits during the fiscal year beginning in the next
29 calendar year.

30 b. The special election shall be conducted by the
31 county commissioner of elections in accordance with
32 law.

33 c. The proposition to be submitted shall be
34 substantially in the following form:

35 Vote "yes" or "no" on the following: Shall the city
36 of _____ levy for an additional \$_____ each year
37 for ____ years beginning next July 1, _____, in excess of
38 the statutory limits otherwise applicable for the city
39 general fund?

40 d. The canvass shall be held beginning at 1:00 p.m.
41 on the second day which is not a holiday following the
42 special election.

43 e. Notice of the special election shall be
44 published at least once in a newspaper as specified
45 in section 362.3 prior to the date of the special
46 election. The notice shall appear as early as
47 practicable after the city council has voted to submit
48 a proposition to the voters to levy additional property
49 tax dollars.

50 3. The amount of additional property tax dollars

1 certified under this section shall not be included in
2 the computation of the maximum amount of property tax
3 dollars which may be certified and levied under section
4 384.1.

5 Sec. 27. Section 384.16, subsection 1, paragraph b,
6 Code 2011, is amended to read as follows:

7 b. A budget must show comparisons between the
8 estimated expenditures in each program in the following
9 year, the latest estimated expenditures in each program
10 in the current year, and the actual expenditures in
11 each program from the annual report as provided in
12 section 384.22, or as corrected by a subsequent audit
13 report. Wherever practicable, as provided in rules
14 of the committee, a budget must show comparisons
15 between the levels of service provided by each program
16 as estimated for the following year, and actual
17 levels of service provided by each program during
18 the two preceding years. For each city that has
19 established an urban renewal area, the budget shall
20 include estimated and actual tax increment financing
21 revenues and all estimated and actual expenditures of
22 the revenues, proceeds from debt and all estimated
23 and actual expenditures of the debt proceeds, and
24 identification of any entity receiving a direct payment
25 of taxes funded by tax increment financing revenues
26 and shall include the total amount of loans, advances,
27 indebtedness, or bonds outstanding at the close of
28 the most recently ended fiscal year, which qualify
29 for payment from the special fund created in section
30 403.19, including interest negotiated on such loans,
31 advances, indebtedness, or bonds. The amount of loans,
32 advances, indebtedness, or bonds shall be listed in the
33 aggregate for each city reporting. ~~The city finance~~
34 ~~committee, in consultation with the department of~~
35 ~~management and the legislative services agency, shall~~
36 ~~determine reporting criteria and shall prepare a form~~
37 ~~for reports filed with the department pursuant to this~~
38 ~~section. The department shall make the information~~
39 ~~available by electronic means.~~

40 Sec. 28. Section 384.19, Code 2011, is amended by
41 adding the following new unnumbered paragraph:

42 NEW UNNUMBERED PARAGRAPH For purposes of a tax
43 protest filed under this section, "item" means a
44 budgeted expenditure, appropriation, or cash reserve
45 from a fund for a service area, program, program
46 element, or purpose.

47 Sec. 29. Section 386.8, Code 2011, is amended to
48 read as follows:

49 386.8 Operation tax.

50 A city may establish a self-supported improvement

1 district operation fund, and may certify taxes not
2 to exceed the rate limitation as established in the
3 ordinance creating the district, or any amendment
4 thereto, each year to be levied for the fund against
5 all of the property in the district, for the purpose
6 of paying the administrative expenses of the district,
7 which may include but are not limited to administrative
8 personnel salaries, a separate administrative office,
9 planning costs including consultation fees, engineering
10 fees, architectural fees, and legal fees and all other
11 expenses reasonably associated with the administration
12 of the district and the fulfilling of the purposes of
13 the district. The taxes levied for this fund may also
14 be used for the purpose of paying maintenance expenses
15 of improvements or self-liquidating improvements for a
16 specified length of time with one or more options to
17 renew if such is clearly stated in the petition which
18 requests the council to authorize construction of the
19 improvement or self-liquidating improvement, whether
20 or not such petition is combined with the petition
21 requesting creation of a district. Parcels of property
22 which are assessed as residential property for property
23 tax purposes are exempt from the tax levied under this
24 section except residential properties within a duly
25 designated historic district. A tax levied under
26 this section is not subject to the ~~levy~~ limitation in
27 section 384.1.

28 Sec. 30. Section 386.9, Code 2011, is amended to
29 read as follows:

30 386.9 Capital improvement tax.

31 A city may establish a capital improvement fund
32 for a district and may certify taxes, not to exceed
33 the rate established by the ordinance creating the
34 district, or any subsequent amendment thereto,
35 each year to be levied for the fund against all of
36 the property in the district, for the purpose of
37 accumulating moneys for the financing or payment
38 of a part or all of the costs of any improvement or
39 self-liquidating improvement. However, parcels of
40 property which are assessed as residential property
41 for property tax purposes are exempt from the tax
42 levied under this section except residential properties
43 within a duly designated historic district. A tax
44 levied under this section is not subject to the ~~levy~~
45 limitations in section 384.1 or 384.7.

46 Sec. 31. REPEAL. Sections 331.425 and 331.426,
47 Code 2011, are repealed.

48 Sec. 32. APPLICABILITY. This division of this Act
49 applies to fiscal years beginning on or after July 1,
50 2012.>

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1 2. Title page, by striking lines 1 through 3
2 and inserting <An Act relating to state and local
3 government finances by increasing the regular program
4 foundation base, establishing property tax levy limits
5 for cities and counties, establishing certain property
6 assessment limitations, and including applicability
7 provisions.>

By SANDS of Louisa

H-1716 FILED MAY 10, 2011

SENATE FILE 522

H-1719

1 Amend the amendment, H-1716, to Senate File 522, as
2 passed by the Senate, as follows:

3 1. By striking page 1, line 5, through page 23,
4 line 7 and inserting:

5 <<Section 1. Section 331.512, Code 2011, is amended
6 by adding the following new subsection:

7 NEW SUBSECTION. 13A. Carry out duties relating to
8 the business property tax credit as provided in chapter
9 426C.

10 Sec. 2. Section 331.559, Code 2011, is amended by
11 adding the following new subsection:

12 NEW SUBSECTION. 14A. Carry out duties relating to
13 the business property tax credit as provided in chapter
14 426C.

15 Sec. 3. NEW SECTION. 426C.1 Definitions.

16 For the purposes of this chapter, unless the context
17 otherwise requires:

18 1. "Contiguous parcels" means any of the following:

19 a. Parcels that share a common boundary.

20 b. Parcels within the same building or structure
21 regardless of whether the parcels share a common
22 boundary.

23 c. Improvements to the land that are situated on
24 one or more parcels of land that are assessed and taxed
25 separately from the improvements if the parcels of land
26 upon which the improvements are situated share a common
27 boundary.

28 2. "Department" means the department of revenue.

29 3. "Fund" means the business property tax credit
30 fund created in section 426C.2.

31 4. "Parcel" means as defined in section 445.1.

32 5. "Property unit" means contiguous parcels all of
33 which are located within the same county, with the same
34 property tax classification, each of which contains
35 permanent improvements, are owned by the same person,
36 and are operated by that person for a common use and
37 purpose.

38 Sec. 4. NEW SECTION. 426C.2 Business property tax
39 credit fund ---- appropriation.

40 1. A business property tax credit fund is created
41 in the state treasury under the authority of the
42 department. For the fiscal year beginning July 1,
43 2012, there is appropriated from the general fund of
44 the state to the department to be credited to the
45 fund, the sum of fifty million dollars to be used
46 for business property tax credits authorized in this
47 chapter. For the fiscal year beginning July 1, 2013,
48 and each fiscal year thereafter, there is appropriated

49 from the general fund of the state to the department
50 to be credited to the fund an amount equal to the

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-1-

1 total amount appropriated by the general assembly to
2 the fund in the previous fiscal year. In addition,
3 the sum of fifty million dollars shall be added to the
4 appropriation in each fiscal year beginning on or after
5 July 1, 2013, if the revenue estimating conference
6 certifies during its final meeting of the calendar year
7 ending prior to the beginning of the fiscal year that
8 the total amount of general fund revenues collected
9 during the fiscal year ending during such calendar year
10 was at least one hundred four percent of the total
11 amount of general fund revenues collected during the
12 previous fiscal year. However, the total appropriation
13 to the fund shall not exceed two hundred million
14 dollars for any one fiscal year.

15 2. Notwithstanding section 12C.7, subsection 2,
16 interest or earnings on moneys deposited in the fund
17 shall be credited to the fund. Moneys in the fund are
18 not subject to the provisions of section 8.33 and shall
19 not be transferred, used, obligated, appropriated,
20 or otherwise encumbered except as provided in this
21 chapter.

22 Sec. 5. NEW SECTION. 426C.3 Claims for credit.

23 1. Each person who wishes to claim the credit
24 allowed under this chapter shall obtain the appropriate
25 forms from the assessor and file the claim with the
26 assessor. The director of revenue shall prescribe
27 suitable forms and instructions for such claims, and
28 make such forms and instructions available to the
29 assessors.

30 2. a. Claims for the business property tax credit
31 shall be filed not later than March 15 preceding the
32 fiscal year during which the taxes for which the credit
33 is claimed are due and payable.

34 b. A claim filed after the deadline for filing
35 claims shall be considered as a claim for the following
36 year.

37 3. Upon the filing of a claim and allowance of the
38 credit, the credit shall be allowed on the parcel or
39 property unit for successive years without further
40 filing as long as the parcel or property unit satisfies
41 the requirements for the credit. If the parcel or
42 property unit owner ceases to qualify for the credit
43 under this chapter, the owner shall provide written
44 notice to the assessor by the date for filing claims
45 specified in subsection 2 following the date on which
46 the parcel or property unit ceases to qualify for the
47 credit.

48 4. When all or a portion of a parcel or property
49 unit that is allowed a credit under this chapter is
50 sold, transferred, or ownership otherwise changes, the

1 buyer, transferee, or new owner who wishes to receive
2 the credit shall refile the claim for credit. When a
3 portion of a parcel or property unit that is allowed
4 a credit under this chapter is sold, transferred, or
5 ownership otherwise changes, the owner of the portion
6 of the parcel or property unit for which ownership did
7 not change shall refile the claim for credit.

8 5. The assessor shall remit the claims for
9 credit to the county auditor with the assessor's
10 recommendation for allowance or disallowance. If
11 the assessor recommends disallowance of a claim,
12 the assessor shall submit the reasons for the
13 recommendation, in writing, to the county auditor. The
14 county auditor shall forward the claims to the board
15 of supervisors. The board shall allow or disallow the
16 claims.

17 6. For each claim and allowance of a credit for
18 a property unit, the county auditor shall calculate
19 the average of all consolidated levy rates applicable
20 to the several parcels within the property unit. All
21 claims for credit which have been allowed by the board
22 of supervisors, the actual value of the improvements
23 to such parcels and property units applicable to
24 the fiscal year for which the credit is claimed
25 that are subject to assessment and taxation prior to
26 imposition of any applicable assessment limitation,
27 the consolidated levy rates for such parcels and the
28 average consolidated levy rates for such property units
29 applicable to the fiscal year for which the credit is
30 claimed, and the taxing districts in which the parcel
31 or property unit is located, shall be certified on or
32 before June 30, in each year, by the county auditor to
33 the department.

34 7. The assessor shall maintain a permanent file of
35 current business property tax credits. The assessor
36 shall file a notice of transfer of property for which a
37 credit has been allowed when notice is received from
38 the office of the county recorder, from the person
39 who sold or transferred the property, or from the
40 personal representative of a deceased property owner.
41 The county recorder shall give notice to the assessor
42 of each transfer of title filed in the recorder's
43 office. The notice from the county recorder shall
44 describe the property transferred, the name of the
45 person transferring title to the property, and the name
46 of the person to whom title to the property has been
47 transferred.

48 Sec. 6. NEW SECTION. 426C.4 Eligibility and amount
49 of credit.

50 1. Each parcel classified and taxed as commercial

1 property, industrial property, or railway property
2 under chapter 434, and improved with permanent
3 construction, is eligible for a credit under this
4 chapter. A person may claim and receive one credit
5 under this chapter for each eligible parcel unless
6 the parcel is part of a property unit. A person
7 may only claim and receive one credit under this
8 chapter for each property unit. A credit approved
9 for a property unit shall be allocated to the several
10 parcels within the property unit in the proportion
11 that each parcel's total amount of property taxes due
12 and payable attributable to the improvements bears to
13 the total amount of property taxes due and payable
14 attributable to the improvements for the property unit.
15 Only property units comprised of commercial property,
16 comprised of industrial property, or comprised of
17 railway property under chapter 434 are eligible for a
18 credit under this chapter.

19 2. Using the actual value of the improvements and
20 the consolidated levy rate for each parcel or the
21 average consolidated levy rate for each property unit,
22 as certified by the county auditor to the department
23 under section 426C.3, subsection 6, the department
24 shall calculate, for each fiscal year, an initial
25 amount of actual value of improvements for use in
26 determining the amount of the credit for each such
27 parcel or property unit so as to provide the maximum
28 possible credit according to the credit formula and
29 limitations under subsection 3, and to provide a
30 total dollar amount of credits against the taxes due
31 and payable in the fiscal year equal to ninety-eight
32 percent of the moneys in the fund following the deposit
33 of the total appropriation for the fiscal year.

34 3. a. The amount of the credit for each parcel or
35 property unit for which a claim for credit under this
36 chapter has been approved shall be calculated under
37 paragraph "b" using the lesser of the initial amount
38 of actual value of the improvements determined by the
39 department under subsection 2, and the actual value
40 of the improvements to the parcel or property unit as
41 certified by the county auditor under section 426C.3,
42 subsection 6.

43 b. The amount of the credit for each parcel or
44 property unit for which a claim for credit under
45 this chapter has been approved shall be equal to the
46 amount of actual value determined under paragraph "a"
47 multiplied by the difference, stated as a percentage,
48 between the assessment limitation applicable to
49 the parcel or property unit under section 441.21,
50 subsection 5, and the assessment limitation applicable

1 to residential property under section 441.21,
2 subsection 4, divided by one thousand dollars, and then
3 multiplied by the consolidated levy rate or average
4 consolidated levy rate for one thousand dollars of
5 taxable value applicable to the parcel or property unit
6 for the fiscal year for which the credit is claimed as
7 certified by the county auditor under section 426C.3,
8 subsection 6.

9 Sec. 7. NEW SECTION. 426C.5 Payment to counties.

10 1. Annually the department shall certify to the
11 county auditor of each county the amounts of the
12 business property tax credits allowed in the county.
13 Each county auditor shall then enter the credits
14 against the tax levied on each eligible parcel or
15 property unit in the county, designating on the tax
16 lists the credit as being from the fund. Each taxing
17 district shall receive its share of the business
18 property tax credit allowed on each eligible parcel
19 or property unit in such taxing district, in the
20 proportion that the levy made by such taxing district
21 upon the parcel or property unit bears to the total
22 levy upon the parcel or property unit by all taxing
23 districts imposing a property tax in such taxing
24 district. However, the several taxing districts
25 shall not draw the moneys so credited until after the
26 semiannual allocations have been received by the county
27 treasurer, as provided in this section. Each county
28 treasurer shall show on each tax receipt the amount of
29 credit received from the fund.

30 2. The director of the department of administrative
31 services shall issue warrants on the fund payable to
32 the county treasurers of the several counties of the
33 state under this chapter.

34 3. The amount due each county shall be paid in two
35 payments on November 15 and March 15 of each fiscal
36 year, drawn upon warrants payable to the respective
37 county treasurers. The two payments shall be as nearly
38 equal as possible.

39 Sec. 8. NEW SECTION. 426C.6 Appeals.

40 1. If the board of supervisors disallows a claim
41 for credit under section 426C.3, subsection 5, the
42 board of supervisors shall send written notice, by
43 mail, to the claimant at the claimant's last known
44 address. The notice shall state the reasons for
45 disallowing the claim for the credit. The board of
46 supervisors is not required to send notice that a claim
47 for credit is disallowed if the claimant voluntarily
48 withdraws the claim. Any person whose claim is denied
49 under the provisions of this chapter may appeal from
50 the action of the board of supervisors to the district

1 court of the county in which the parcel or property
2 unit is located by giving written notice of such appeal
3 to the county auditor within twenty days from the date
4 of mailing of notice of such action by the board of
5 supervisors.

6 2. If any claim for credit has been denied by the
7 board of supervisors, and such action is subsequently
8 reversed on appeal, the credit shall be allowed on the
9 applicable parcel or property unit, and the director of
10 revenue, the county auditor, and the county treasurer
11 shall provide the credit and change their books and
12 records accordingly. In the event the appealing
13 taxpayer has paid one or both of the installments of
14 the tax payable in the year or years in question,
15 remittance shall be made to such taxpayer of the amount
16 of such credit. The amount of such credit awarded on
17 appeal shall be allocated and paid from the balance
18 remaining in the fund.

19 Sec. 9. NEW SECTION. 426C.7 Audit ---- denial.

20 1. If on the audit of a credit provided under this
21 chapter, the director of revenue determines the amount
22 of the credit to have been incorrectly calculated or
23 that the credit is not allowable, the director shall
24 recalculate the credit and notify the taxpayer and the
25 county auditor of the recalculation or denial and the
26 reasons for it. The director shall not adjust a credit
27 after three years from October 31 of the year in which
28 the claim for the credit was filed. If the credit has
29 been paid, the director shall give notification to the
30 taxpayer, the county treasurer, and the applicable
31 assessor of the recalculation or denial of the credit
32 and the county treasurer shall proceed to collect the
33 tax owed in the same manner as other property taxes due
34 and payable are collected, if the parcel or property
35 unit for which the credit was allowed is still owned
36 by the taxpayer. If the parcel or property unit
37 for which the credit was allowed is not owned by the
38 taxpayer, the amount may be recovered from the taxpayer
39 by assessment in the same manner that income taxes are
40 assessed under sections 422.26 and 422.30. The amount
41 of such erroneous credit, when collected, shall be
42 deposited in the fund.

43 2. The taxpayer or board of supervisors may
44 appeal any decision of the director of revenue to the
45 state board of tax review pursuant to section 421.1,
46 subsection 5. The taxpayer, the board of supervisors,
47 or the director of revenue may seek judicial review
48 of the action of the state board of tax review in
49 accordance with chapter 17A.

50 Sec. 10. NEW SECTION. 426C.8 False claim ----

1 penalty.

2 A person who makes a false claim for the purpose of
3 obtaining a credit provided for in this chapter or who
4 knowingly receives the credit without being legally
5 entitled to it is guilty of a fraudulent practice. The
6 claim for a credit of such a person shall be disallowed
7 and if the credit has been paid the amount shall be
8 recovered in the manner provided in section 426C.7. In
9 such cases, the director of revenue shall send a notice
10 of disallowance of the credit.

11 Sec. 11. NEW SECTION. 426C.9 Rules.

12 The director of revenue shall prescribe forms,
13 instructions, and rules pursuant to chapter 17A, as
14 necessary, to carry out the purposes of this chapter.

15 Sec. 12. IMPLEMENTATION. Notwithstanding the
16 deadline for filing claims established in section
17 426C.3, for a credit against property taxes due and
18 payable during the fiscal year beginning July 1, 2012,
19 the claim for the credit shall be filed not later than
20 January 15, 2012.

21 Sec. 13. APPLICABILITY. This Act applies to
22 property taxes due and payable in fiscal years
23 beginning on or after July 1, 2012.>>

By THOMAS of Clayton

SENATE FILE 522

H-1724

1 Amend the amendment, H-1716, to Senate File 522, as
2 passed by the Senate, as follows:

3 1. Page 7, after line 19 by inserting:

4 <Sec. _____. Section 441.21, subsection 8, paragraph
5 b, Code 2011, is amended to read as follows:

6 b. Notwithstanding paragraph "a", any construction
7 or installation of a solar energy system on property
8 classified as agricultural, residential, commercial,
9 recreational, or industrial property shall not increase
10 the actual, assessed, and taxable values of the
11 property for five full assessment years.

12 Sec. _____. Section 441.21, subsections 9 and 10,
13 Code 2011, are amended to read as follows:

14 9. Not later than November 1, 1979, and November
15 1 of each subsequent year, the director shall certify
16 to the county auditor of each county the percentages
17 of actual value at which residential property,
18 agricultural property, commercial property, industrial
19 property, recreational property, and property valued
20 by the department of revenue pursuant to chapters 428,
21 433, 434, 437, and 438 in each assessing jurisdiction
22 in the county shall be assessed for taxation. The
23 county auditor shall proceed to determine the assessed
24 values of agricultural property, residential property,
25 commercial property, industrial property, recreational
26 property, and property valued by the department of
27 revenue pursuant to chapters 428, 433, 434, 437, and
28 438 by applying such percentages to the current actual
29 value of such property, as reported to the county
30 auditor by the assessor, and the assessed values
31 so determined shall be the taxable values of such
32 properties upon which the levy shall be made.

33 10. The percentage of actual value computed by
34 the director for agricultural property, residential
35 property, commercial property, industrial property,
36 recreational property, and property valued by the
37 department of revenue pursuant to chapters 428, 433,
38 434, 437, and 438 and used to determine assessed values
39 of those classes of property does not constitute a rule
40 as defined in section 17A.2, subsection 11.

41 Sec. _____. Section 441.21, Code 2011, is amended by
42 adding the following new subsection:

43 NEW SUBSECTION. 13. a. (1) For valuations
44 established for the assessment year beginning January
45 1, 2012, property described in this subsection shall
46 be valued as a separate class of property called
47 recreational property and shall be assessed at ninety
48 percent of its actual value.

49 (2) For valuations established for the assessment
50 year beginning January 1, 2013, through valuations
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1 established for the assessment year beginning January
2 1, 2015, recreational property shall be valued as a
3 separate class of property and shall be assessed at
4 a percentage of actual value equal to the percentage
5 of actual value that the recreational property was
6 assessed in the previous assessment year minus ten
7 percentage points.

8 (3) For valuations established for the assessment
9 year beginning January 1, 2016, and each assessment
10 year thereafter, recreational property shall be valued
11 as a separate class of property and shall be assessed
12 at fifty percent of its actual value.

13 b. Recreational property is subject to reassessment
14 by the assessor and is subject to the same equalization
15 percentage amount determined by the director of revenue
16 pursuant to section 441.49 as is ordered for commercial
17 property.

18 c. For purposes of this subsection, "recreational
19 property" means a golf course, downhill skiing area,
20 campground, amusement park, or water theme park, if
21 such property is operated as a commercial enterprise
22 and otherwise subject to taxation.>

23 2. Page 23, line 6, after <limitations,> by
24 inserting <creating a recreational class of property,>

25 3. By renumbering as necessary.

By THOMAS of Clayton

SENATE FILE 522

H-1725

1 Amend the amendment, H-1716, to Senate File 522, as
2 passed by the Senate, as follows:
3 1. Page 16, after line 34 by inserting:
4 <Sec. _____. NEW SECTION. 331.437A County services
5 ---- funding.
6 1. For the fiscal year beginning July 1, 2012, and
7 each fiscal year thereafter, a county is prohibited
8 from reducing funding for the services described in
9 subsection 2 and provided by the county from the level
10 such services were funded in the previous year.
11 2. For purposes of this section, "services" means
12 law enforcement, fire protection service, emergency
13 medical services, and local emergency management.>
14 2. Page 21, after line 46 by inserting:
15 <Sec. _____. NEW SECTION. 384.20A City services ----
16 funding.
17 1. For the fiscal year beginning July 1, 2012,
18 and each fiscal year thereafter, a city is prohibited
19 from reducing funding for the services described in
20 subsection 2 and provided by the city from the level
21 such services were funded in the previous year.
22 2. For purposes of this section, "services" means
23 law enforcement, fire protection service, emergency
24 medical services, and local emergency management.>
25 3. Page 23, line 5, after <counties,> by inserting
26 <establishing financing requirements for county and
27 city services,>
28 4. By renumbering as necessary.

By JACOBY of Johnson

H-1725 FILED MAY 10, 2011

SENATE FILE 522

H-1726

1 Amend the amendment, H-1716, to Senate File 522, as
2 passed by the Senate, as follows:

3 1. Page 2, after line 5 by inserting:

4 <DIVISION ____

5 PROPERTY TAX EQUITY AND RELIEF FUND

6 Sec. _____. Section 8.55, subsection 2, paragraph a,
7 Code 2011, as amended by 2011 Iowa Acts, Senate File
8 209, section 29, is amended to read as follows:

9 a. The maximum balance of the fund is the amount
10 equal to two and one-half percent of the adjusted
11 revenue estimate for the fiscal year. If the amount of
12 moneys in the Iowa economic emergency fund is equal to
13 the maximum balance, moneys in excess of this amount
14 shall be distributed as follows:

15 (1) For fiscal years beginning on or after July
16 1, 2011, but before July 1, 2018, to the property tax
17 equity and relief fund created in section 257.16A.
18 Moneys transferred to the property tax equity and
19 relief fund under this subparagraph shall not in
20 any fiscal year exceed an amount equal to the amount
21 credited to the property tax equity and relief fund
22 under section 423F.2, subsection 3, for use in the
23 fiscal year beginning July 1, 2010, minus the amount
24 credited to the property tax equity and relief fund
25 under section 423F.2, subsection 3, for use in the
26 fiscal year for which the distribution is made if such
27 amount credited to the fund under section 423F.2,
28 subsection 3, for the fiscal year for which the
29 distribution is made is less than the amount credited
30 to the property tax equity and relief fund under
31 section 423F.2, subsection 3, for use in the fiscal
32 year beginning July 1, 2010.

33 ~~-(1) -~~ (2) The first ~~Following the transfer under~~
34 subparagraph (1), the next sixty million dollars of
35 the difference between the actual net revenue for the
36 general fund of the state for the fiscal year and the
37 adjusted revenue estimate for the fiscal year shall be
38 transferred to the taxpayers trust fund.

39 ~~-(2) (3)~~ The remainder of the excess, if any, shall
40 be transferred to the general fund of the state.

41 <Sec. _____. Section 257.4, subsection 1, paragraph
42 b, Code 2011, is amended to read as follows:

43 b. For the budget year beginning July 1, 2008, and
44 succeeding budget years beginning before July 1, 2018,
45 the department of management shall annually determine
46 an adjusted additional property tax levy and a
47 statewide maximum adjusted additional property tax levy
48 rate, not to exceed the statewide average additional

49 property tax levy rate, calculated by dividing the
50 total adjusted additional property tax levy dollars

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1 statewide by the statewide total net taxable valuation.
2 For purposes of this paragraph, the adjusted additional
3 property tax levy shall be that portion of the
4 additional property tax levy corresponding to the
5 state cost per pupil multiplied by a school district's
6 weighted enrollment, and then multiplied by one hundred
7 percent less the regular program foundation base
8 per pupil percentage pursuant to section 257.1. The
9 district shall receive adjusted additional property tax
10 levy aid in an amount equal to the difference between
11 the adjusted additional property tax levy rate and the
12 statewide maximum adjusted additional property tax
13 levy rate, as applied per thousand dollars of assessed
14 valuation on all taxable property in the district. The
15 statewide maximum adjusted additional property tax levy
16 rate shall be annually determined by the department
17 taking into account amounts allocated pursuant to
18 section 257.15, subsection 4. The statewide maximum
19 adjusted additional property tax levy rate shall be
20 annually determined by the department taking into
21 account amounts allocated pursuant to section 257.15,
22 subsection 4, and the balance of the property tax
23 equity and relief fund created in section 257.16A at
24 the end of the calendar year.

25 Sec. _____. Section 257.15, subsection 4, paragraph
26 a, subparagraph (1), subparagraph division (d), Code
27 2011, is amended to read as follows:

28 (d) For the budget year beginning July 1, 2009, and
29 succeeding budget years beginning before July 1, 2018,
30 twenty-four million dollars.

31 Sec. _____. Section 257.15, subsection 4, paragraph
32 b, Code 2011, is amended to read as follows:

33 b. After lowering all school district adjusted
34 additional property tax levy rates to the statewide
35 maximum adjusted additional property tax levy rate
36 under paragraph "a", the department of management shall
37 use any remaining funds at the end of the calendar
38 year to further lower additional property taxes by
39 increasing for the budget year beginning the following
40 July 1, the state foundation base percentage. Moneys
41 used pursuant to this paragraph shall supplant an equal
42 amount of the appropriation made from the general fund
43 of the state pursuant to section 257.16 that represents
44 the increase in state foundation aid. Any funds
45 remaining after lowering all school district adjusted
46 additional property tax levy rates to the statewide
47 maximum adjusted additional property tax levy rate and
48 after increasing the state foundation base percentage
49 to one hundred percent shall be deposited by the
50 department in the general fund of the state.

1 Sec. _____. Section 423F.2, subsection 3, Code 2011,
2 is amended to read as follows:

3 3. The moneys available in a fiscal year in the
4 secure an advanced vision for education fund shall be
5 distributed by the department of revenue to each school
6 district in an amount equal to the amount the school
7 district would have received pursuant to the formula in
8 section 423E.4 as if the local sales and services tax
9 for school infrastructure purposes was imposed. ~~Moneys~~
10 For fiscal years beginning before July 1, 2018, moneys
11 in a fiscal year that are in excess of that needed to
12 provide each school district with its formula amount
13 shall be distributed and credited to the property tax
14 equity and relief fund created in section 257.16A. For
15 fiscal years beginning on or after July 1, 2018, moneys
16 in a fiscal year that are in excess of that needed to
17 provide each school district with its formula amount
18 shall remain in the fund for use in the next fiscal
19 year.

20 Sec. _____. EFFECTIVE UPON ENACTMENT AND
21 APPLICABILITY. This division of this Act, being deemed
22 of immediate importance, takes effect upon enactment
23 and applies to fiscal years beginning on or after July
24 1, 2011.>

25 2. Page 23, line 4, after <base,> by inserting
26 <establishing and modifying certain education
27 appropriations,>

28 3. Page 23, line 6, after <including> by inserting
29 <effective date and>

30 4. By renumbering as necessary.

By HALL of Woodbury

SENATE FILE 522

H-1728

1 Amend the amendment, H-1716, to Senate File 522, as
2 passed by the Senate, as follows:

3 1. Page 6, lines 2 and 3, by striking <and each
4 assessment year thereafter,> and inserting <but before
5 January 1, 2016,>

6 2. Page 6, line 4, after <434> by inserting <that
7 is not new railway property>

8 3. Page 6, line 7, after <property> by inserting
9 <that is not new commercial property>

10 4. Page 6, line 7, after <year.> by inserting
11 <For valuations established on or after January 1,
12 2012, but before January 1, 2016, property valued by
13 the department of revenue pursuant to chapter 434
14 that is new railway property shall be assessed at a
15 percentage of its actual value equal to the percentage
16 of actual value at which commercial property that is
17 new commercial property, as defined in paragraph "c",
18 is assessed for the same assessment year. For purposes
19 of this section, "new railway property" means that
20 portion of the actual value of property assessed by the
21 director of revenue under chapter 434 in excess of one
22 hundred fifty percent of such property's value for the
23 assessment year beginning January 1, 2011, attributable
24 to new construction, renovation, or rehabilitation of
25 the property occurring on or after the effective date
26 of this division of this Act. "New railway property"
27 shall be considered a subclassification of property
28 assessed by the director of revenue under chapter 434
29 for the assessment years beginning on or after January
30 1, 2012, but before January 1, 2016. For valuations
31 established on or after January 1, 2016, property
32 valued by the department of revenue pursuant to chapter
33 434 shall be assessed at a percentage of its actual
34 value equal to the percentage of actual value at which
35 commercial property is assessed for the same assessment
36 year.>

37 5. Page 6, line 9, after <property> by inserting
38 <that is not new commercial property as defined in
39 paragraph "c">

40 6. Page 6, line 16, after <property> by inserting
41 <that is not new commercial property>

42 7. Page 6, line 21, after <property> by inserting
43 <that is not new commercial property>

44 8. Page 6, line 26, after <property> by inserting
45 <that is not new commercial property>

46 9. Page 6, line 31, after <property> by inserting
47 <that is not new commercial property>

48 10. Page 6, by striking lines 33 through 38 and

49 inserting:

50 <c. (1) For valuations established on or after

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1 January 1, 2012, but before January 1, 2016, new
2 commercial property, excluding properties referred to
3 in section 427A.1, subsection 8, shall be assessed as a
4 percentage of the actual value, as determined in this
5 paragraph "c".

6 (2) For valuations established for assessment years
7 beginning on or after January 1, 2012, but before
8 January 1, 2016, the percentage of actual value as
9 equalized by the director of revenue as provided in
10 section 441.49 at which commercial property that is new
11 commercial property shall be assessed shall be sixty
12 percent.

13 (3) For purposes of this section, "new commercial
14 property" means that portion of the actual value of
15 property in excess of one hundred fifty percent of such
16 property's value for the assessment year beginning
17 January 1, 2011, attributable to new construction,
18 renovation, or rehabilitation of the property occurring
19 on or after the effective date of this division of
20 this Act, and but for this paragraph would be assessed
21 under paragraph "b". "New commercial property" shall be
22 considered a subclassification of commercial property
23 for the assessment years beginning on or after January
24 1, 2012, but before January 1, 2016.

25 d. (1) For valuations established on or after
26 January 1, 2016, commercial property, excluding
27 properties referred to in section 427A.1, subsection 8,
28 shall be assessed as a percentage of the actual value
29 as determined in this paragraph "d".

30 (2) For valuations established for the assessment
31 year beginning January 1, 2016, and each assessment
32 year thereafter, the percentage of actual value as
33 equalized by the director of revenue as provided in
34 section 441.49 at which commercial property shall be
35 assessed shall be sixty percent.>

36 11. Page 6, line 39, by striking <c.> and inserting
37 e.>

38 12. Page 6, line 40, after <property> by inserting
39 <that is not new industrial property as defined in
40 paragraph "f">

41 13. Page 6, line 47, after <property> by inserting
42 <that is not new industrial property,>

43 14. Page 7, line 2, after <property> by inserting
44 <that is not new industrial property>

45 15. Page 7, line 7, after <property> by inserting
46 <that is not new industrial property>

47 16. Page 7, line 12, after <property> by inserting
48 <that is not new industrial property>

49 17. Page 7, by striking lines 14 through 19 and
50 inserting:

1 <f. (1) For valuations established on or after
2 January 1, 2012, but before January 1, 2016, new
3 industrial property, excluding properties referred to
4 in section 427A.1, subsection 8, shall be assessed as
5 a percentage of the actual value as determined in this
6 paragraph "f".

7 (2) For valuations established for assessment years
8 beginning on or after January 1, 2012, but before
9 January 1, 2016, the percentage of actual value as
10 equalized by the director of revenue as provided in
11 section 441.49 at which industrial property that is new
12 industrial property shall be assessed shall be sixty
13 percent.

14 (3) For purposes of this section, "new industrial
15 property" means that portion of the actual value of
16 property in excess of one hundred fifty percent of such
17 property's value for the assessment year beginning
18 January 1, 2011, attributable to new construction,
19 renovation, or rehabilitation of the property occurring
20 on or after the effective date of this division of
21 this Act, and but for this paragraph would be assessed
22 under paragraph "e". "New industrial property" shall be
23 considered a subclassification of industrial property
24 for the assessment years beginning on or after January
25 1, 2012, but before January 1, 2016.

26 g. (1) For valuations established on or after
27 January 1, 2016, industrial property, excluding
28 properties referred to in section 427A.1, subsection 8,
29 shall be assessed as a percentage of the actual value
30 as determined in this paragraph "g".

31 (2) For valuations established for the assessment
32 year beginning January 1, 2016, and each assessment
33 year thereafter, the percentage of actual value as
34 equalized by the director of revenue as provided in
35 section 441.49 at which industrial property shall be
36 assessed shall be sixty percent.>

37 18. Page 7, after line 19 by inserting:

38 <Sec. ____. Section 441.21, subsections 9 and 10,
39 Code 2011, are amended to read as follows:

40 9. Not later than November 1, 1979, and November
41 1 of each subsequent year, the director shall
42 certify to the county auditor of each county the
43 percentages of actual value at which residential
44 property, agricultural property, commercial property,
45 new commercial property, industrial property, and
46 new industrial property, property valued by the
47 department of revenue pursuant to chapters 428, 433,
48 434, 437, and 438, and new railway property in each
49 assessing jurisdiction in the county shall be assessed
50 for taxation. The county auditor shall proceed

1 to determine the assessed values of agricultural
2 property, residential property, commercial property,
3 new commercial property, industrial property, and new
4 industrial property, property valued by the department
5 of revenue pursuant to chapters 428, 433, 434, 437,
6 and 438, and new railway property by applying such
7 percentages to the current actual value of such
8 property, as reported to the county auditor by the
9 assessor, and the assessed values so determined shall
10 be the taxable values of such properties upon which the
11 levy shall be made.

12 10. The percentage of actual value computed by
13 the director for agricultural property, residential
14 property, commercial property, new commercial property,
15 industrial property and, new industrial property,
16 property valued by the department of revenue pursuant
17 to chapters 428, 433, 434, 437, and 438, and new
18 railway property and used to determine assessed values
19 of those classes of property does not constitute a rule
20 as defined in section 17A.2, subsection 11.>

21 19. Page 7, line 24, by striking <commercial and
22 industrial> and inserting <commercial, new commercial,
23 industrial, new industrial, railway, and new railway>

24 20. Page 7, line 27, by striking <paragraphs "b"
25 and "c",>

26 21. Page 7, lines 43 and 44, by striking
27 <commercial and industrial> and inserting <commercial,
28 new commercial, industrial, new industrial, railway,
29 and new railway>

30 22. Page 7, line 46, by striking <paragraphs "b"
31 and "c",>

32 23. Page 23, line 5, after <counties,> by inserting
33 <establishing certain property subclassifications,>

34 24. By renumbering, redesignating, and correcting
35 internal references as necessary.

By SANDS of Louisa

SENATE FILE 522

H-1729

1 Amend the amendment, H-1716, to Senate File 522, as
2 passed by the Senate, as follows:

3 1. Page 7, after line 19 by inserting:

4 <Sec. _____. Section 441.21, Code 2011, is amended by
5 adding the following new subsection:

6 NEW SUBSECTION. 13. Notwithstanding any provision
7 of law to the contrary, beginning with valuations
8 established on or after January 1, 2012, as used in
9 this section, "residential property" includes that
10 portion of a building or structure and a proportionate
11 share of the land upon which the building or structure
12 is situated that is used as a primary residence by
13 the person who owns the building even if the use as
14 a primary residence is not the primary use of the
15 building or structure. Accordingly, the assessor
16 may assign more than one classification to a parcel
17 of property satisfying the requirements of this
18 subsection.>

19 2. Page 23, line 6, after <limitations,>
20 by inserting <modifying certain property tax
21 classifications,>

22 3. By renumbering as necessary.

By THOMAS of Clayton

H-1729 FILED MAY 10, 2011

SENATE FILE 525

H-1717

1 Amend Senate File 525, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. By striking everything after the enacting clause
4 and inserting:

<DIVISION I

SERVICE SYSTEM REDESIGN

7 Section 1. ADULT DISABILITY SERVICES SYSTEM
8 REDESIGN.

9 1. For the purposes of this section, "disability
10 services" means services and other support available
11 to a person with mental illness or an intellectual
12 disability or other developmental disability.

13 2. It is the intent of the general assembly to
14 redesign the system for adult disability services to
15 implement all of the following:

16 a. Shifting the funding responsibility for the
17 nonfederal share of adult disability services paid for
18 by the Medicaid program, including but not limited to
19 all costs for the state resource centers, from the
20 counties to the state.

21 b. Reorganizing adult disability services not paid
22 for by the Medicaid program into a system administered
23 on a regional basis in a manner that provides multiple
24 local points of access to adult disability services
25 both paid for by the Medicaid program and not paid for
26 by the Medicaid program.

27 c. Replacing legal settlement as the basis for
28 determining financial responsibility for publicly
29 funded disability services by determining such
30 responsibility based upon residency.

31 3. a. The legislative council is requested to
32 authorize an interim committee on mental health and
33 disability services for the 2011 legislative interim to
34 commence as soon as practicable. The purpose of the
35 interim committee is to closely engage with, monitor,
36 and make recommendations concerning the efforts of
37 the department of human services and workgroups of
38 stakeholders and experts created by the department
39 to develop detailed proposals for the redesign of
40 disability services pursuant to this Act, particularly
41 with regard to the identification of core services.

42 b. (1) It is intended that the interim committee
43 members consist of equal numbers of legislators from
44 both chambers and from both political parties and
45 for staff from the office of the governor and the
46 departments of human services and public health to be
47 designated to serve as ex officio, nonvoting members.
48 It is also requested that legislators serving on the

49 interim committee and other interested legislators
50 be authorized to participate in the meetings of the

H-1717

-1-

1 workgroups and subcommittees addressed in this Act.

2 (2) In addition to addressing workgroup
3 recommendations, it is intended that the interim
4 committee address property tax issues, devise a means
5 of ensuring the state maintains its funding commitments
6 for the redesigned services system, recommend revisions
7 in the requirements for mental health professionals
8 who are engaged in the involuntary commitment and
9 examination processes under chapter 229, develop
10 proposed legislation for amending Code references to
11 mental retardation to instead refer to intellectual
12 disabilities, and consider issues posed by the
13 July 1, 2013, repeals of county disability services
14 administration and funding provisions in 2011 Iowa
15 Acts, [Senate File 209](#).

16 (3) It is intended that the interim committee
17 shall receive and make recommendations concerning the
18 detailed and final proposals submitted by workgroups
19 during the 2011 legislative interim for consideration
20 by the general assembly in the 2012 legislative
21 session.

22 c. (1) The department of human services shall
23 design the workgroup process to facilitate effective
24 decision making while allowing for a broad array of
25 input. The workgroup process shall begin as soon after
26 the effective date of this Act as is practicable. The
27 membership of workgroups and subcommittees involved
28 with the process shall include consumers, service
29 providers, and advocates and provide for adequate
30 representation by both rural and urban interests.
31 The department of public health shall be represented
32 on those workgroups and subcommittees with a focus
33 relevant to the department.

34 (2) The detailed and final proposals developed
35 by the workgroups during the 2011 interim shall
36 be submitted to the interim committee on or before
37 December 9, 2011.

38 d. At least one workgroup shall address redesign
39 of the adult mental health system and at least
40 one workgroup shall address redesign of the adult
41 intellectual and other developmental disability system.
42 The workgroup process shall engage separate workgroups
43 and subcommittees enumerated in this Act and may
44 involve additional bodies in the process as determined
45 by the department.

46 e. It is intended that interim committee members
47 be engaged, to the extent possible, in workgroup
48 deliberations and begin formal discussions of
49 preliminary proposals developed by the workgroups
50 beginning in October.

1 4. The workgroup process implemented by the
2 department of human services pursuant to subsection
3 3 shall result in the submission of proposals for
4 redesign of adult disability services that include but
5 are not limited to all of the following:
6 a. Identifying clear definitions and requirements
7 for the following:
8 (1) Eligibility criteria for the individuals to be
9 served.
10 (2) The array of core services and other support to
11 be included in regional adult disability services plans
12 and to be delivered by providers based on individual
13 needs and medical necessity and in a manner that
14 promotes cost-effectiveness, uniformity, accessibility,
15 and best practice approaches. The array shall
16 encompass and integrate services and other support paid
17 for by both the Medicaid program and other sources.
18 (3) Outcome measures that focus on consumer needs,
19 including but not limited to measures addressing
20 individual choice, empowerment, and community.
21 (4) Quality assurance measures.
22 (5) Provider accreditation, certification,
23 or licensure requirements to ensure high quality
24 services while avoiding unreasonable expectations and
25 duplicative surveys.
26 (6) Input in regional service plans and delivery
27 provisions by consumer and provider representatives.
28 The input process shall engage local consumers,
29 providers, and counties in developing the regional
30 provisions.
31 (7) Provisions for representatives of the regional
32 system and the department to regularly engage in
33 discussions to resolve Medicaid and non-Medicaid
34 issues involving documentation requirements, electronic
35 records, reimbursement methodologies, cost projections,
36 and other measures to improve the services and other
37 support available to consumers.
38 b. Incorporating strategies to allow individuals
39 to receive services in accordance with the principles
40 established in *Olmstead v. L.C.*, 527 U.S. 581 (1999),
41 in order for services to be provided in the most
42 community-based, least restrictive, and integrated
43 setting appropriate to an individual's needs.
44 c. Continuing the department's leadership role
45 in the Medicaid program in defining services covered,
46 establishing reimbursement methodologies, providing
47 other administrative functions, and engaging in federal
48 options for program enhancements that are beneficial to
49 consumers and the state such as medical or behavioral
50 health homes.

1 d. Implementing mental health crisis response
2 services statewide in a manner determined to be most
3 appropriate by each region.

4 e. Implementing a subacute level of care to provide
5 short-term mental health services in a structured
6 residential setting that supplies a less intensive
7 level of care than is supplied by acute psychiatric
8 services.

9 f. Reviewing best practices and programs utilized
10 by other states in identifying new approaches for
11 addressing the needs for publicly funded services for
12 persons with brain injury. The proposals regarding
13 these approaches may be submitted after the workgroup
14 submission date set out in subsection 3.

15 g. Developing a proposal for addressing service
16 provider shortages. The development of the proposal
17 shall incorporate an examination of scope of practice
18 limitations and barriers to recruiting providers,
19 including but not limited to variation in health
20 insurance payment provisions for the services provided
21 by different types of providers.

22 h. Developing a proposal for service providers
23 addressing co-occurring mental health, intellectual
24 disability, brain injury, and substance abuse
25 disorders. Each workgroup or subcommittee shall
26 address co-occurring disorders as appropriate to the
27 focus of the workgroup or subcommittee. The overall
28 proposal may be developed by a body consisting of
29 members from other workgroups or subcommittees. The
30 proposal shall also provide options, developed in
31 coordination with the judicial branch and department
32 of human services workgroup, for implementation
33 of the provision of advocates to patients with
34 substance-related disorders.

35 i. Developing a proposal for redesign of publicly
36 funded children's disability services, including but
37 not limited to the needs of children who are placed
38 out-of-state due to the lack of treatment services
39 in this state. The proposal shall be developed by a
40 separate workgroup or subcommittee and in addition to
41 the other interests and representation required by this
42 section, the membership shall include education system
43 and juvenile court representatives. The preliminary
44 findings and recommendations, and the initial proposal
45 shall be submitted by the October and December 2011
46 dates required for other workgroups and subcommittees.
47 The initial proposal developed during the 2011
48 legislative interim shall include an analysis of gaps
49 in the children's system and other planning provisions
50 necessary to complete the final proposal for submission

1 on or before December 10, 2012.

2 j. Developing a proposal for adult disability
3 services not paid for by the Medicaid program to be
4 administered on a regional basis in a manner that
5 provides multiple local points of access for consumers
6 needing adult disability services, regardless of
7 the funding sources for the services. The proposal
8 shall be integrated with the other proposals under
9 this subsection and shall be developed by a separate
10 workgroup or subcommittee engaging both urban and rural
11 county supervisors and central-point-of-coordination
12 administrators and other experts. The considerations
13 for inclusion in the proposal for forming regional
14 entities shall include but are not limited to all of
15 the following:

16 (1) Modifying the relevant provisions of chapter
17 28E for use by counties in forming regional entities
18 and addressing other necessary contracting measures.

19 (2) Providing for performance-based contracting
20 between the department of human services and regional
21 entities to ensure the existence of multiple, local
22 points of access for adult disability services
23 eligibility, intake, and authorization, service
24 navigation support, and case coordination or case
25 management, regardless of the funding sources for the
26 services.

27 (3) Developing a three-year service plan and annual
28 update to meet the needs of consumers.

29 (4) Providing for the regional entities to
30 implement performance-based contracts, uniform cost
31 reports, and consistent reimbursement practices and
32 payment methodologies with local providers of services
33 not paid for by the Medicaid program.

34 (5) Providing for the regional entities to
35 determine the Medicaid program targeted case managers
36 to serve the regions.

37 (6) Providing for the regional entities and the
38 department of human services to regularly coordinate
39 and communicate with one another concerning the adult
40 disability services paid for by the Medicaid program so
41 that services paid for by the program and the regional
42 entities are integrated and coordinated.

43 (7) Identifying sufficient population size to
44 attain economy of scale, adequate financial resources,
45 and appropriate service delivery.

46 (8) Addressing full participation in regional
47 entities by counties.

48 (9) Including dispute resolution provisions for
49 county-to-county relationships, county-to-region
50 relationships, and region-to-state relationships.

1 (10) Providing for a consumer appeal process that
2 is clear, impartial, and consistent, with consideration
3 of an option that appeals beyond the regional level
4 should be to a state administrative law judge.

5 (11) Addressing financial management provisions,
6 including appropriate financial reserve levels.

7 (12) Proposing other criteria for forming regional
8 entities. The other criteria considered shall include
9 but are not limited to all of the following:

10 (a) Requiring a region to consist of contiguous
11 counties.

12 (b) Evaluating a proposed region's capacity
13 for providing core services and performing required
14 functions.

15 (c) Requiring a region to encompass at least
16 one community mental health center or federally
17 qualified health center with providers qualified to
18 provide psychiatric services, either directly or with
19 assistance from psychiatric consultants, that has the
20 capacity to provide outpatient services for the region
21 and has provided evidence of a commitment to provide
22 outpatient services for the region.

23 (d) Requiring a region to encompass or have
24 reasonably close proximity to a hospital with an
25 inpatient psychiatric unit or to a state mental health
26 institute, that has the capacity to provide inpatient
27 services for the region and has provided evidence of
28 a commitment to provide inpatient services for the
29 region.

30 (e) Requiring an administrative structure utilized
31 by a region to have clear lines of accountability and
32 to serve as a lead agency with shared county staff or
33 other means of limiting administrative costs to not
34 more than five percent of expenditures.

35 5. The target date for full implementation of
36 the plan and implementation provisions described in
37 subsections 3 and 4 shall be July 1, 2013, provided,
38 however, that any expansion of services is subject to
39 available funding.

40 Sec. 2. CONTINUATION OF WORKGROUP BY JUDICIAL
41 BRANCH AND DEPARTMENT OF HUMAN SERVICES. The judicial
42 branch and department of human services shall continue
43 the workgroup implemented pursuant to 2010 Iowa Acts,
44 chapter 1192, section 24, subsection 2, to improve
45 the processes for involuntary commitment for chronic
46 substance abuse under chapter 125 and for serious
47 mental illness under chapter 229, and shall coordinate
48 its efforts with the legislative interim committee and
49 other workgroups initiated pursuant to this Act. The
50 recommendations issued by the workgroup shall address

1 options to the current provision of transportation
2 by the county sheriff; to the role, supervision,
3 and funding of mental health patient advocates and
4 substance-related disorder patient advocates, along
5 with options for implementation of the provision of
6 advocates to patients with such disorders; for revising
7 requirements for mental health professionals who are
8 engaged in the involuntary commitment and examination
9 processes under chapter 229; for authorizing the
10 court to order an involuntary hold of a patient under
11 section 229.10 for not more than twenty-three hours
12 who was not initially taken into custody but declined
13 to be examined pursuant to a previous court order;
14 and for civil commitment prescreening. Preliminary
15 recommendations shall be submitted to the legislative
16 interim committee in October 2011, as specified by the
17 interim committee. Additional stakeholders shall be
18 added as necessary to facilitate the workgroup efforts.
19 The workgroup shall complete deliberations and submit
20 a final report to the legislative interim committee
21 providing findings and recommendations on or before
22 December 9, 2011.

23 Sec. 3. SERVICE SYSTEM DATA AND STATISTICAL
24 INFORMATION INTEGRATION. In coordination with
25 the legislative interim committee and workgroups
26 initiated pursuant to this Act, representatives of the
27 department of human services, department of public
28 health, and the community services network hosted by
29 the Iowa state association of counties shall develop
30 implementation provisions for an integrated data and
31 statistical information system for mental health,
32 disability services, and substance abuse services.
33 The implementation provisions shall incorporate
34 federal data and statistical information requirements.
35 When completed, the departments and affiliate shall
36 report on the integrated system to the governor,
37 the joint appropriations subcommittee on health and
38 human services, and the legislative services agency,
39 providing their findings and recommendations.

40 Sec. 4. DEPARTMENT OF HUMAN SERVICES. There is
41 appropriated from the general fund of the state to
42 the department of human services for the fiscal year
43 beginning July 1, 2010, and ending June 30, 2011, the
44 following amount, or so much thereof as is necessary,
45 to be used for the purposes designated:

46 For the costs of planning and other processes
47 associated with implementation of this Act:
48 \$ 250,000

49 Notwithstanding section 8.47 or any other provision
50 of law to the contrary, the department may utilize a

1 sole source approach to contract to support planning
2 and other processes associated with implementation
3 of this Act. Notwithstanding section 8.33, moneys
4 appropriated in this section that remain unencumbered
5 or unobligated at the close of the fiscal year shall
6 not revert but shall remain available for expenditure
7 for the purposes designated until the close of the
8 succeeding fiscal year.

9 Sec. 5. EFFECTIVE UPON ENACTMENT. This division of
10 this Act, being deemed of immediate importance, takes
11 effect upon enactment.

12 DIVISION II

13 CONFORMING PROVISIONS

14 Sec. 6. CONFORMING PROVISIONS. The legislative
15 services agency shall prepare a study bill for
16 consideration by the committees on human resources of
17 the senate and house of representatives for the 2012
18 legislative session, providing any necessary conforming
19 Code changes for implementation of the system redesign
20 provisions contained in this Act.

21 DIVISION III

22 PSYCHIATRIC MEDICAL INSTITUTIONS FOR CHILDREN

23 Sec. 7. Section 135H.3, subsection 1, Code 2011, is
24 amended to read as follows:

25 1. A psychiatric medical institution for children
26 shall utilize a team of professionals to direct an
27 organized program of diagnostic services, psychiatric
28 services, nursing care, and rehabilitative services
29 to meet the needs of residents in accordance with a
30 medical care plan developed for each resident. The
31 membership of the team of professionals may include
32 but is not limited to an advanced registered nurse
33 practitioner or a physician assistant. Social and
34 rehabilitative services shall be provided under the
35 direction of a qualified mental health professional.

36 Sec. 8. Section 135H.6, subsection 8, Code 2011, is
37 amended to read as follows:

38 8. The department of human services may give
39 approval to conversion of beds approved under
40 subsection 6, to beds which are specialized to provide
41 substance abuse treatment. However, the total number
42 of beds approved under subsection 6 and this subsection
43 shall not exceed four hundred thirty. Conversion of
44 beds under this subsection shall not require a revision
45 of the certificate of need issued for the psychiatric
46 institution making the conversion. Beds for children
47 who do not reside in this state and whose service costs
48 are not paid by public funds in this state are not
49 subject to the limitations on the number of beds and
50 certificate of need requirements otherwise applicable

1 under this section.

2 Sec. 9. PSYCHIATRIC MEDICAL INSTITUTIONS FOR
3 CHILDREN AND RELATED SERVICES ---- TRANSITION COMMITTEE.

4 1. For the purposes of this section, unless the
5 context otherwise requires:

6 a. "Iowa plan" means the contract to administer the
7 behavioral health managed care plan under the state's
8 Medicaid program.

9 b. "PMIC" means a psychiatric medical institution
10 for children.

11 2. It is the intent of the general assembly to do
12 the following under this section:

13 a. Improve the reimbursement, expected outcomes,
14 and integration of PMIC services to serve the best
15 interests of children within the context of a redesign
16 of the delivery of publicly funded children's mental
17 health services in this state.

18 b. Support the development of specialized programs
19 for children with high acuity requirements whose needs
20 are not met by Iowa's current system and must be served
21 in out-of-state placements.

22 c. Transition PMIC services while providing
23 services in a manner that applies best practices and is
24 cost-effective.

25 3. The department of human services, in
26 collaboration with PMIC providers, shall develop a
27 plan for transitioning the administration of PMIC
28 services to the Iowa plan. The transition plan
29 shall address specific strategies for appropriately
30 addressing PMIC lengths of stay by increasing the
31 availability of less intensive levels of care,
32 establishing vendor performance standards, identifying
33 levels of PMIC care, providing for performance and
34 quality improvement technical assistance to providers,
35 identifying methods and standards for credentialing
36 providers of specialized programs, using innovative
37 reimbursement incentives to improve access while
38 building the capacity of less intensive levels of care,
39 and providing implementation guidelines.

40 4. a. The transition plan shall address the
41 development of specialized programs to address the
42 needs of children in need of more intensive treatment
43 who are currently underserved. All of the following
44 criteria shall be used for such programs:

45 (1) Geographic accessibility.

46 (2) Expertise needed to assure appropriate and
47 effective treatment.

48 (3) Capability to define and provide the
49 appropriate array of services and report on
50 standardized outcome measures.

1 (4) Best interests of the child.
2 b. The transition plan shall also address all of
3 the following:
4 (1) Providing navigation, access, and care
5 coordination for children and families in need of
6 services from the children's mental health system.
7 (2) Integrating the children's mental health
8 waiver services under the Medicaid program with
9 other services addressed by the transition plan as a
10 means for supporting the transition plan and ensuring
11 availability of choices for community placements.
12 (3) Identifying admission and continued stay
13 criteria for PMIC providers.
14 (4) Evaluating changes in licensing standards for
15 PMICs as necessary to ensure that the standards are
16 aligned with overall system goals.
17 (5) Evaluating alternative reimbursement and
18 service models that are innovative and could support
19 overall system goals. The models may include but are
20 not limited to accountable care organizations, medical
21 or other health homes, and performance-based payment
22 methods.
23 (6) Evaluating the adequacy of reimbursement at all
24 levels of the children's mental health system.
25 (7) Developing profiles of the conditions and
26 behaviors that result in a child's involuntary
27 discharge or out-of-state placement. The plan shall
28 incorporate provisions for developing specialized
29 programs that are designed to appropriately meet the
30 needs identified in the profiles.
31 (8) Evaluating and defining the appropriate array
32 of less intensive services for a child leaving a
33 hospital or PMIC placement.
34 (9) Evaluating and defining the standards for
35 existing and new PMIC and other treatment levels.
36 5. a. The department shall establish a
37 transition committee that includes departmental
38 staff representatives for Medicaid, child welfare,
39 field, and mental health services, the director of
40 the Iowa plan, the department of inspections and
41 appeals, a representative of each licensed PMIC, the
42 executive director of the coalition of family and
43 children's services in Iowa, a person with knowledge
44 and expertise in care coordination and integration
45 of PMIC and community-based services, two persons
46 representing families affected by the children's mental
47 health system, and a representative of juvenile court
48 officers.
49 b. The transition committee shall develop the plan
50 and manage the transition if the plan is implemented.

1 The plan shall be developed by December 31, 2011,
2 and shall be submitted to the general assembly by
3 January 16, 2012. The submitted plan shall include
4 an independent finding by the director of human
5 services, in consultation with the office of the
6 governor and the chairpersons and ranking members of
7 the joint appropriations subcommittee on health and
8 human services, that the plan meets the intent of the
9 general assembly under this section. Unless otherwise
10 directed by enactment of the general assembly the
11 department and the transition committee may proceed
12 with implementation of the submitted plan on or before
13 July 1, 2012.

14 c. The transition committee shall continue to meet
15 through December 31, 2013, to oversee transition of
16 PMIC services to the Iowa plan.

17 6. The director of the Medicaid enterprise of the
18 department of human services shall annually report on
19 or before December 15 to the chairpersons and ranking
20 members of the joint appropriations subcommittee on
21 health and human services through December 15, 2016,
22 regarding the implementation of this section. The
23 content of the report shall include but is not limited
24 to information on children served by PMIC providers,
25 the types of locations to which children are discharged
26 following a hospital or PMIC placement and the
27 community-based services available to such children,
28 and the incidence of readmission to a PMIC within 12
29 months of discharge. The report shall also recommend
30 whether or not to continue administration of PMIC
31 services under the Iowa plan based upon the quality
32 of service delivery, the value of utilizing the Iowa
33 plan administration rather than the previous approach
34 through the Medicaid enterprise, and analysis of the
35 cost and benefits of utilizing the Iowa plan approach.

36 DIVISION IV

37 COMMUNITY MENTAL HEALTH CENTERS

38 COMMUNITY MENTAL HEALTH CENTERS ---- CATCHMENT AREAS

39 Sec. 10. NEW SECTION. 230A.101 Services system
40 roles.

41 1. The role of the department of human services,
42 through the division of the department designated as
43 the state mental health authority with responsibility
44 for state policy concerning mental health and
45 disability services, is to develop and maintain
46 policies for the mental health and disability services
47 system. The policies shall address the service
48 needs of individuals of all ages with disabilities
49 in this state, regardless of the individuals' places
50 of residence or economic circumstances, and shall be

1 consistent with the requirements of chapter 225C and
2 other applicable law.

3 2. The role of community mental health centers in
4 the mental health and disability services system is
5 to provide an organized set of services in order to
6 adequately meet the mental health needs of this state's
7 citizens based on organized catchment areas.

8 Sec. 11. NEW SECTION. 230A.102 Definitions.

9 As used in this chapter, unless the context
10 otherwise requires:

11 1. "Administrator", "commission", "department",
12 "disability services", and "division" mean the same as
13 defined in section 225C.2.

14 2. "Catchment area" means a community mental health
15 center catchment area identified in accordance with
16 this chapter.

17 3. "Community mental health center" or "center"
18 means a community mental health center designated in
19 accordance with this chapter.

20 Sec. 12. NEW SECTION. 230A.103 Designation of
21 community mental health centers.

22 1. The division, subject to agreement by any
23 community mental health center that would provide
24 services for the catchment area and approval by the
25 commission, shall designate at least one community
26 mental health center under this chapter to serve as
27 lead agency for addressing the mental health needs of
28 the county or counties comprising the catchment area.
29 The designation process shall provide for the input
30 of potential service providers regarding designation
31 of the initial catchment area or a change in the
32 designation.

33 2. The division shall utilize objective criteria
34 for designating a community mental health center
35 to serve a catchment area and for withdrawing such
36 designation. The commission shall adopt rules
37 outlining the criteria. The criteria shall include but
38 are not limited to provisions for meeting all of the
39 following requirements:

40 a. An appropriate means shall be used for
41 determining which prospective designee is best able to
42 serve all ages of the targeted population within the
43 catchment area with minimal or no service denials.

44 b. An effective means shall be used for determining
45 the relative ability of a prospective designee to
46 appropriately provide mental health services and other
47 support to consumers residing within a catchment area
48 as well as consumers residing outside the catchment
49 area. The criteria shall address the duty for a
50 prospective designee to arrange placements outside the

1 catchment area when such placements best meet consumer
2 needs and to provide services within the catchment area
3 to consumers who reside outside the catchment area when
4 the services are necessary and appropriate.

5 3. The board of directors for a designated
6 community mental health center shall enter into
7 an agreement with the division. The terms of the
8 agreement shall include but are not limited to all of
9 the following:

10 a. The period of time the agreement will be in
11 force.

12 b. The services and other support the center will
13 offer or provide for the residents of the catchment
14 area.

15 c. The standards to be followed by the center in
16 determining whether and to what extent the persons
17 seeking services from the center shall be considered to
18 be able to pay the costs of the services.

19 d. The policies regarding availability of the
20 services offered by the center to the residents of the
21 catchment area as well as consumers residing outside
22 the catchment area.

23 e. The requirements for preparation and submission
24 to the division of annual audits, cost reports, program
25 reports, performance measures, and other financial and
26 service accountability information.

27 4. This section does not limit the authority of
28 the board or the boards of supervisors of any county
29 or group of counties to continue to expend money to
30 support operation of a center.

31 Sec. 13. NEW SECTION. 230A.104 Catchment areas.

32 1. The division shall collaborate with affected
33 counties in identifying community mental health center
34 catchment areas in accordance with this section.

35 2. a. Unless the division has determined that
36 exceptional circumstances exist, a catchment area
37 shall be served by one community mental health center.
38 The purpose of this general limitation is to clearly
39 designate the center responsible and accountable for
40 providing core mental health services to the target
41 population in the catchment area and to protect the
42 financial viability of the centers comprising the
43 mental health services system in the state.

44 b. A formal review process shall be used in
45 determining whether exceptional circumstances exist
46 that justify designating more than one center to
47 serve a catchment area. The criteria for the review
48 process shall include but are not limited to a means
49 of determining whether the catchment area can support
50 more than one center.

1 c. Criteria shall be provided that would allow
2 the designation of more than one center for all
3 or a portion of a catchment area if designation or
4 approval for more than one center was provided by the
5 division as of October 1, 2010. The criteria shall
6 require a determination that all such centers would be
7 financially viable if designation is provided for all.

8 Sec. 14. NEW SECTION. 230A.105 Target population
9 ---- eligibility.

10 1. The target population residing in a catchment
11 area to be served by a community mental health
12 center shall include but is not limited to all of the
13 following:

14 a. Individuals of any age who are experiencing a
15 mental health crisis.

16 b. Individuals of any age who have a mental health
17 disorder.

18 c. Adults who have a serious mental illness or
19 chronic mental illness.

20 d. Children and youth who are experiencing a
21 serious emotional disturbance.

22 e. Individuals described in paragraph "a", "b",
23 "c", or "d" who have a co-occurring disorder, including
24 but not limited to substance abuse, mental retardation,
25 a developmental disability, brain injury, autism
26 spectrum disorder, or another disability or special
27 health care need.

28 2. Specific eligibility criteria for members of the
29 target population shall be identified in administrative
30 rules adopted by the commission. The eligibility
31 criteria shall address both clinical and financial
32 eligibility.

33 Sec. 15. NEW SECTION. 230A.106 Services offered.

34 1. A community mental health center designated
35 in accordance with this chapter shall offer core
36 services and support addressing the basic mental health
37 and safety needs of the target population and other
38 residents of the catchment area served by the center
39 and may offer other services and support. The core
40 services shall be identified in administrative rules
41 adopted by the commission for this purpose.

42 2. The initial core services identified shall
43 include all of the following:

44 a. Outpatient services. Outpatient services shall
45 consist of evaluation and treatment services provided
46 on an ambulatory basis for the target population.
47 Outpatient services include psychiatric evaluations,
48 medication management, and individual, family, and
49 group therapy. In addition, outpatient services shall
50 include specialized outpatient services directed to the

1 following segments of the target population: children,
2 elderly, individuals who have serious and persistent
3 mental illness, and residents of the service area
4 who have been discharged from inpatient treatment
5 at a mental health facility. Outpatient services
6 shall provide elements of diagnosis, treatment, and
7 appropriate follow-up. The provision of only screening
8 and referral services does not constitute outpatient
9 services.

10 b. Twenty-four-hour emergency services.
11 Twenty-four-hour emergency services shall be
12 provided through a system that provides access to a
13 clinician and appropriate disposition with follow-up
14 documentation of the emergency service provided.
15 A patient shall have access to evaluation and
16 stabilization services after normal business hours.
17 The range of emergency services that shall be available
18 to a patient may include but are not limited to direct
19 contact with a clinician, medication evaluation,
20 and hospitalization. The emergency services may be
21 provided directly by the center or in collaboration
22 or affiliation with other appropriately accredited
23 providers.

24 c. Day treatment, partial hospitalization, or
25 psychosocial rehabilitation services. Such services
26 shall be provided as structured day programs in
27 segments of less than twenty-four hours using a
28 multidisciplinary team approach to develop treatment
29 plans that vary in intensity of services and the
30 frequency and duration of services based on the needs
31 of the patient. These services may be provided
32 directly by the center or in collaboration or
33 affiliation with other appropriately accredited
34 providers.

35 d. Admission screening for voluntary patients.
36 Admission screening services shall be available for
37 patients considered for voluntary admission to a state
38 mental health institute to determine the patient's
39 appropriateness for admission.

40 e. Community support services. Community support
41 services shall consist of support and treatment
42 services focused on enhancing independent functioning
43 and assisting persons in the target population who
44 have a serious and persistent mental illness to live
45 and work in their community setting, by reducing or
46 managing mental illness symptoms and the associated
47 functional disabilities that negatively impact such
48 persons' community integration and stability.

49 f. Consultation services. Consultation services
50 may include provision of professional assistance and

1 information about mental health and mental illness to
2 individuals, service providers, or groups to increase
3 such persons' effectiveness in carrying out their
4 responsibilities for providing services. Consultations
5 may be case-specific or program-specific.

6 g. Education services. Education services may
7 include information and referral services regarding
8 available resources and information and training
9 concerning mental health, mental illness, availability
10 of services and other support, the promotion
11 of mental health, and the prevention of mental
12 illness. Education services may be made available to
13 individuals, groups, organizations, and the community
14 in general.

15 3. A community mental health center shall be
16 responsible for coordinating with associated services
17 provided by other unaffiliated agencies to members
18 of the target population in the catchment area and
19 to integrate services in the community with services
20 provided to the target population in residential or
21 inpatient settings.

22 Sec. 16. NEW SECTION. 230A.107 Form of
23 organization.

24 1. Except as authorized in subsection 2, a
25 community mental health center designated in accordance
26 with this chapter shall be organized and administered
27 as a nonprofit corporation.

28 2. A for-profit corporation, nonprofit corporation,
29 or county hospital providing mental health services to
30 county residents pursuant to a waiver approved under
31 section 225C.7, subsection 3, Code 2011, as of October
32 1, 2010, may also be designated as a community mental
33 health center.

34 Sec. 17. NEW SECTION. 230A.108 Administrative,
35 diagnostic, and demographic information.

36 Release of administrative and diagnostic
37 information, as defined in section 228.1, and
38 demographic information necessary for aggregated
39 reporting to meet the data requirements established by
40 the division, relating to an individual who receives
41 services from a community mental health center, may
42 be made a condition of support of that center by the
43 division.

44 Sec. 18. NEW SECTION. 230A.109 Funding ----
45 legislative intent.

46 1. It is the intent of the general assembly that
47 public funding for community mental health centers
48 designated in accordance with this chapter shall be
49 provided as a combination of federal and state funding.

50 2. It is the intent of the general assembly that

1 the state funding provided to centers be a sufficient
2 amount for the core services and support addressing the
3 basic mental health and safety needs of the residents
4 of the catchment area served by each center to be
5 provided regardless of individual ability to pay for
6 the services and support.

7 3. While a community mental health center must
8 comply with the core services requirements and other
9 standards associated with designation, provision of
10 services is subject to the availability of a payment
11 source for the services.

12 Sec. 19. NEW SECTION. 230A.110 Standards.

13 1. The division shall recommend and the commission
14 shall adopt standards for designated community
15 mental health centers and comprehensive community
16 mental health programs, with the overall objective of
17 ensuring that each center and each affiliate providing
18 services under contract with a center furnishes
19 high-quality mental health services within a framework
20 of accountability to the community it serves. The
21 standards adopted shall conform with federal standards
22 applicable to community mental health centers and
23 shall be in substantial conformity with the applicable
24 behavioral health standards adopted by the joint
25 commission, formerly known as the joint commission
26 on accreditation of health care organizations, and
27 other recognized national standards for evaluation of
28 psychiatric facilities unless in the judgment of the
29 division, with approval of the commission, there are
30 sound reasons for departing from the standards.

31 2. When recommending standards under this section,
32 the division shall designate an advisory committee
33 representing boards of directors and professional
34 staff of designated community mental health centers to
35 assist in the formulation or revision of standards.
36 The membership of the advisory committee shall include
37 representatives of professional and nonprofessional
38 staff and other appropriate individuals.

39 3. The standards recommended under this section
40 shall include requirements that each community mental
41 health center designated under this chapter do all of
42 the following:

43 a. Maintain and make available to the public a
44 written statement of the services the center offers
45 to residents of the catchment area being served. The
46 center shall employ or contract for services with
47 affiliates to employ staff who are appropriately
48 credentialed or meet other qualifications in order to
49 provide services.

50 b. If organized as a nonprofit corporation, be

1 governed by a board of directors which adequately
2 represents interested professions, consumers of
3 the center's services, socioeconomic, cultural, and
4 age groups, and various geographical areas in the
5 catchment area served by the center. If organized
6 as a for-profit corporation, the corporation's policy
7 structure shall incorporate such representation.

8 c. Arrange for the financial condition and
9 transactions of the community mental health center to
10 be audited once each year by the auditor of state.
11 However, in lieu of an audit by state accountants,
12 the local governing body of a community mental health
13 center organized under this chapter may contract with
14 or employ certified public accountants to conduct the
15 audit, pursuant to the applicable terms and conditions
16 prescribed by sections 11.6 and 11.19 and audit format
17 prescribed by the auditor of state. Copies of each
18 audit shall be furnished by the accountant to the
19 administrator of the division of mental health and
20 disability services.

21 d. Comply with the accreditation standards
22 applicable to the center.

23 Sec. 20. NEW SECTION. 230A.111 Review and
24 evaluation.

25 1. The review and evaluation of designated centers
26 shall be performed through a formal accreditation
27 review process as recommended by the division and
28 approved by the commission. The accreditation process
29 shall include all of the following:

30 a. Specific time intervals for full accreditation
31 reviews based upon levels of accreditation.

32 b. Use of random or complaint-specific, on-site
33 limited accreditation reviews in the interim between
34 full accreditation reviews, as a quality review
35 approach. The results of such reviews shall be
36 presented to the commission.

37 c. Use of center accreditation self-assessment
38 tools to gather data regarding quality of care and
39 outcomes, whether used during full or limited reviews
40 or at other times.

41 2. The accreditation process shall include but is
42 not limited to addressing all of the following:

43 a. Measures to address centers that do not meet
44 standards, including authority to revoke accreditation.

45 b. Measures to address noncompliant centers that
46 do not develop a corrective action plan or fail to
47 implement steps included in a corrective action plan
48 accepted by the division.

49 c. Measures to appropriately recognize centers that
50 successfully complete a corrective action plan.

1 d. Criteria to determine when a center's
2 accreditation should be denied, revoked, suspended, or
3 made provisional.

4 Sec. 21. REPEAL. Sections 230A.1 through 230A.18,
5 Code 2011, are repealed.

6 Sec. 22. IMPLEMENTATION ---- EFFECTIVE DATE.

7 1. Community mental health centers operating
8 under the provisions of chapter 230A, Code 2011, and
9 associated standards, rules, and other requirements as
10 of June 30, 2012, may continue to operate under such
11 requirements until the department of human services,
12 division of mental health and disability services, and
13 the mental health and disability services commission
14 have completed the rules adoption process to implement
15 the amendments to chapter 230A enacted by this Act,
16 identified catchment areas, and completed designations
17 of centers.

18 2. The division and the commission shall complete
19 the rules adoption process and other requirements
20 addressed in subsection 1 on or before June 30, 2012.

21 3. Except for this section, which shall take effect
22 July 1, 2011, this division of this Act takes effect
23 July 1, 2012.

24 DIVISION V

25 PERSONS WITH SUBSTANCE-RELATED DISORDERS
26 AND PERSONS WITH MENTAL ILLNESS

27 Sec. 23. Section 125.1, subsection 1, Code 2011, is
28 amended to read as follows:

29 1. That ~~substance abusers and persons suffering~~
30 ~~from chemical dependency~~ persons with substance-related
31 disorders be afforded the opportunity to receive
32 quality treatment and directed into rehabilitation
33 services which will help them resume a socially
34 acceptable and productive role in society.

35 Sec. 24. Section 125.2, subsection 2, Code 2011, is
36 amended by striking the subsection.

37 Sec. 25. Section 125.2, subsection 5, Code 2011,
38 is amended by striking the subsection and inserting in
39 lieu thereof the following:

40 5. "Substance-related disorder" means a diagnosable
41 substance abuse disorder of sufficient duration to meet
42 diagnostic criteria specified within the most current
43 diagnostic and statistical manual of mental disorders
44 published by the American psychiatric association that
45 results in a functional impairment.

46 Sec. 26. Section 125.2, subsection 9, Code 2011, is
47 amended to read as follows:

48 9. "Facility" means an institution, a
49 detoxification center, or an installation providing
50 care, maintenance and treatment for ~~substance abusers~~

1 persons with substance-related disorders licensed
2 by the department under section 125.13, hospitals
3 licensed under chapter 135B, or the state mental health
4 institutes designated by chapter 226.

5 Sec. 27. Section 125.2, subsections 13, 17, and 18,
6 Code 2011, are amended by striking the subsections.

7 Sec. 28. Section 125.9, subsections 2 and 4, Code
8 2011, are amended to read as follows:

9 2. Make contracts necessary or incidental to the
10 performance of the duties and the execution of the
11 powers of the director, including contracts with public
12 and private agencies, organizations and individuals
13 to pay them for services rendered or furnished to
14 ~~substance abusers, chronic substance abusers, or~~
15 ~~intoxicated persons~~ persons with substance-related
16 disorders.

17 4. Coordinate the activities of the department and
18 cooperate with substance abuse programs in this and
19 other states, and make contracts and other joint or
20 cooperative arrangements with state, local or private
21 agencies in this and other states for the treatment
22 of ~~substance abusers, chronic substance abusers, and~~
23 ~~intoxicated persons~~ persons with substance-related
24 disorders and for the common advancement of substance
25 abuse programs.

26 Sec. 29. Section 125.10, subsections 2, 3, 4, 5,
27 7, 8, 9, 11, 13, 15, and 17, Code 2011, are amended to
28 read as follows:

29 2. Develop, encourage, and foster statewide,
30 regional and local plans and programs for the
31 prevention of substance ~~abuse~~ misuse and the treatment
32 of ~~substance abusers, chronic substance abusers, and~~
33 ~~intoxicated persons~~ persons with substance-related
34 disorders in cooperation with public and private
35 agencies, organizations and individuals, and provide
36 technical assistance and consultation services for
37 these purposes.

38 3. Coordinate the efforts and enlist the assistance
39 of all public and private agencies, organizations and
40 individuals interested in the prevention of substance
41 abuse and the treatment of ~~substance abusers, chronic~~
42 ~~substance abusers, and intoxicated persons~~ persons with
43 substance-related disorders.

44 4. Cooperate with the department of human
45 services and the Iowa department of public health
46 in establishing and conducting programs to provide
47 treatment for ~~substance abusers, chronic substance~~
48 ~~abusers, and intoxicated persons~~ persons with
49 substance-related disorders.

50 5. Cooperate with the department of education,

1 boards of education, schools, police departments,
2 courts, and other public and private agencies,
3 organizations, and individuals in establishing programs
4 for the prevention of substance abuse and the treatment
5 of ~~substance abusers, chronic substance abusers, and~~
6 ~~intoxicated persons~~ persons with substance-related
7 disorders, and in preparing relevant curriculum
8 materials for use at all levels of school education.

9 7. Develop and implement, as an integral part
10 of treatment programs, an educational program for
11 use in the treatment of ~~substance abusers, chronic~~
12 ~~substance abusers, and intoxicated persons~~ persons
13 with substance-related disorders, which program shall
14 include the dissemination of information concerning the
15 nature and effects of ~~chemical~~ substances.

16 8. Organize and implement, in cooperation with
17 local treatment programs, training programs for all
18 persons engaged in treatment of ~~substance abusers,~~
19 ~~chronic substance abusers, and intoxicated persons~~
20 persons with substance-related disorders.

21 9. Sponsor and implement research in cooperation
22 with local treatment programs into the causes and
23 nature of substance ~~abuse~~ misuse and treatment of
24 ~~substance abusers, chronic substance abusers, and~~
25 ~~intoxicated persons~~ persons with substance-related
26 disorders, and serve as a clearing house for
27 information relating to substance abuse.

28 11. Develop and implement, with the counsel and
29 approval of the board, the comprehensive plan for
30 treatment of ~~substance abusers, chronic substance~~
31 ~~abusers, and intoxicated persons~~ persons with
32 substance-related disorders in accordance with this
33 chapter.

34 13. Utilize the support and assistance of
35 interested persons in the community, particularly
36 ~~recovered substance abusers and chronic substance~~
37 ~~abusers,~~ persons who are recovering from
38 substance-related disorders to encourage ~~substance~~
39 ~~abusers and chronic substance abusers~~ persons with
40 substance-related disorders to voluntarily undergo
41 treatment.

42 15. Encourage general hospitals and other
43 appropriate health facilities to admit without
44 discrimination ~~substance abusers, chronic substance~~
45 ~~abusers, and intoxicated persons~~ persons with
46 substance-related disorders and to provide them with
47 adequate and appropriate treatment. The director may
48 negotiate and implement contracts with hospitals and
49 other appropriate health facilities with adequate
50 detoxification facilities.

1 17. Review all state health, welfare, education and
2 treatment proposals to be submitted for federal funding
3 under federal legislation, and advise the governor on
4 provisions to be included relating to substance abuse,
5 ~~substance abusers, chronic substance abusers, and~~
6 ~~intoxicated persons~~ and persons with substance-related
7 disorders.

8 Sec. 30. Section 125.12, subsections 1 and 3, Code
9 2011, are amended to read as follows:

10 1. The board shall review the comprehensive
11 substance abuse program implemented by the department
12 for the treatment of ~~substance abusers, chronic~~
13 ~~substance abusers, intoxicated persons~~ persons with
14 substance-related disorders, and concerned family
15 members. Subject to the review of the board, the
16 director shall divide the state into appropriate
17 regions for the conduct of the program and establish
18 standards for the development of the program on
19 the regional level. In establishing the regions,
20 consideration shall be given to city and county lines,
21 population concentrations, and existing substance abuse
22 treatment services.

23 3. The director shall provide for adequate and
24 appropriate treatment for ~~substance abusers, chronic~~
25 ~~substance abusers, intoxicated persons~~ persons with
26 substance-related disorders, and concerned family
27 members admitted under sections 125.33 and 125.34, or
28 under section 125.75, 125.81, or 125.91. Treatment
29 shall not be provided at a correctional institution
30 except for inmates.

31 Sec. 31. Section 125.13, subsection 1, paragraph a,
32 Code 2011, is amended to read as follows:

33 a. Except as provided in subsection 2, a person
34 shall not maintain or conduct any chemical substitutes
35 or antagonists program, residential program, or
36 nonresidential outpatient program, the primary purpose
37 of which is the treatment and rehabilitation of
38 ~~substance abusers or chronic substance abusers~~ persons
39 with substance-related disorders without having first
40 obtained a written license for the program from the
41 department.

42 Sec. 32. Section 125.13, subsection 2, paragraphs a
43 and c, Code 2011, are amended to read as follows:

44 a. A hospital providing care or treatment to
45 ~~substance abusers or chronic substance abusers~~ persons
46 with substance-related disorders licensed under chapter
47 135B which is accredited by the joint commission
48 on the accreditation of health care organizations,
49 the commission on accreditation of rehabilitation
50 facilities, the American osteopathic association, or

1 another recognized organization approved by the board.
2 All survey reports from the accrediting or licensing
3 body must be sent to the department.

4 c. Private institutions conducted by and
5 for persons who adhere to the faith of any well
6 recognized church or religious denomination for the
7 purpose of providing care, treatment, counseling,
8 or rehabilitation to ~~substance abusers or chronic~~
9 ~~substance abusers~~ persons with substance-related
10 disorders and who rely solely on prayer or other
11 spiritual means for healing in the practice of religion
12 of such church or denomination.

13 Sec. 33. Section 125.15, Code 2011, is amended to
14 read as follows:

15 125.15 Inspections.

16 The department may inspect the facilities and review
17 the procedures utilized by any chemical substitutes
18 or antagonists program, residential program, or
19 nonresidential outpatient program that has as a
20 primary purpose the treatment and rehabilitation of
21 ~~substance abusers or chronic substance abusers~~ persons
22 with substance-related disorders, for the purpose of
23 ensuring compliance with this chapter and the rules
24 adopted pursuant to this chapter. The examination
25 and review may include case record audits and
26 interviews with staff and patients, consistent with the
27 confidentiality safeguards of state and federal law.

28 Sec. 34. Section 125.32, unnumbered paragraph 1,
29 Code 2011, is amended to read as follows:

30 The department shall adopt and may amend and repeal
31 rules for acceptance of persons into the treatment
32 program, subject to chapter 17A, considering available
33 treatment resources and facilities, for the purpose of
34 early and effective treatment of ~~substance abusers,~~
35 ~~chronic substance abusers, intoxicated persons,~~ persons
36 with substance-related disorders and concerned family
37 members. In establishing the rules the department
38 shall be guided by the following standards:

39 Sec. 35. Section 125.33, subsections 1, 3, and 4,
40 Code 2011, are amended to read as follows:

41 1. A ~~substance abuser or chronic substance abuser~~
42 person with a substance-related disorder may apply
43 for voluntary treatment or rehabilitation services
44 directly to a facility or to a licensed physician and
45 surgeon or osteopathic physician and surgeon. If the
46 proposed patient is a minor or an incompetent person, a
47 parent, a legal guardian or other legal representative
48 may make the application. The licensed physician
49 and surgeon or osteopathic physician and surgeon or
50 any employee or person acting under the direction or

1 supervision of the physician and surgeon or osteopathic
2 physician and surgeon, or the facility shall not
3 report or disclose the name of the person or the fact
4 that treatment was requested or has been undertaken
5 to any law enforcement officer or law enforcement
6 agency; nor shall such information be admissible as
7 evidence in any court, grand jury, or administrative
8 proceeding unless authorized by the person seeking
9 treatment. If the person seeking such treatment or
10 rehabilitation is a minor who has personally made
11 application for treatment, the fact that the minor
12 sought treatment or rehabilitation or is receiving
13 treatment or rehabilitation services shall not be
14 reported or disclosed to the parents or legal guardian
15 of such minor without the minor's consent, and the
16 minor may give legal consent to receive such treatment
17 and rehabilitation.

18 3. A ~~substance abuser or chronic substance abuser~~
19 person with a substance-related disorder seeking
20 treatment or rehabilitation and who is either addicted
21 or dependent on a chemical substance may first be
22 examined and evaluated by a licensed physician and
23 surgeon or osteopathic physician and surgeon who may
24 prescribe a proper course of treatment and medication,
25 if needed. The licensed physician and surgeon
26 or osteopathic physician and surgeon may further
27 prescribe a course of treatment or rehabilitation
28 and authorize another licensed physician and surgeon
29 or osteopathic physician and surgeon or facility to
30 provide the prescribed treatment or rehabilitation
31 services. Treatment or rehabilitation services may
32 be provided to a person individually or in a group.
33 A facility providing or engaging in treatment or
34 rehabilitation shall not report or disclose to a law
35 enforcement officer or law enforcement agency the name
36 of any person receiving or engaged in the treatment
37 or rehabilitation; nor shall a person receiving or
38 participating in treatment or rehabilitation report
39 or disclose the name of any other person engaged in
40 or receiving treatment or rehabilitation or that the
41 program is in existence, to a law enforcement officer
42 or law enforcement agency. Such information shall
43 not be admitted in evidence in any court, grand jury,
44 or administrative proceeding. However, a person
45 engaged in or receiving treatment or rehabilitation
46 may authorize the disclosure of the person's name and
47 individual participation.

48 4. If a patient receiving inpatient or residential
49 care leaves a facility, the patient shall be encouraged
50 to consent to appropriate outpatient or halfway house

1 treatment. If it appears to the administrator in
2 charge of the facility that the patient is a ~~substance~~
3 ~~abuser or chronic substance abuser~~ person with a
4 substance-related disorder who requires help, the
5 director may arrange for assistance in obtaining
6 supportive services.

7 Sec. 36. Section 125.34, Code 2011, is amended to
8 read as follows:

9 125.34 Treatment and services for ~~intoxicated~~
10 ~~persons and persons incapacitated by alcohol~~ persons
11 with substance-related disorders due to intoxication and
12 substance-induced incapacitation.

13 1. ~~An intoxicated~~ A person with a substance-related
14 disorder due to intoxication or substance-induced
15 incapacitation may come voluntarily to a facility
16 for emergency treatment. A person who appears to be
17 intoxicated or incapacitated by a ~~chemical~~ substance
18 in a public place and in need of help may be taken to a
19 facility by a peace officer under section 125.91. If
20 the person refuses the proffered help, the person may
21 be arrested and charged with intoxication under section
22 123.46, if applicable.

23 2. If no facility is readily available the
24 person may be taken to an emergency medical service
25 customarily used for incapacitated persons. The
26 peace officer in detaining the person and in taking
27 the person to a facility shall make every reasonable
28 effort to protect the person's health and safety. In
29 detaining the person the detaining officer may take
30 reasonable steps for self-protection. Detaining a
31 person under section 125.91 is not an arrest and no
32 entry or other record shall be made to indicate that
33 the person who is detained has been arrested or charged
34 with a crime.

35 3. A person who arrives at a facility and
36 voluntarily submits to examination shall be examined
37 by a licensed physician as soon as possible after the
38 person arrives at the facility. The person may then
39 be admitted as a patient or referred to another health
40 facility. The referring facility shall arrange for
41 transportation.

42 4. If a person is voluntarily admitted to a
43 facility, the person's family or next of kin shall be
44 notified as promptly as possible. If an adult patient
45 who is not incapacitated requests that there be no
46 notification, the request shall be respected.

47 5. A peace officer who acts in compliance with
48 this section is acting in the course of the officer's
49 official duty and is not criminally or civilly liable
50 therefor, unless such acts constitute willful malice

1 or abuse.

2 6. If the physician in charge of the facility
3 determines it is for the patient's benefit, the patient
4 shall be encouraged to agree to further diagnosis and
5 appropriate voluntary treatment.

6 7. A licensed physician and surgeon or osteopathic
7 physician and surgeon, facility administrator, or an
8 employee or a person acting as or on behalf of the
9 facility administrator, is not criminally or civilly
10 liable for acts in conformity with this chapter, unless
11 the acts constitute willful malice or abuse.

12 Sec. 37. Section 125.43, Code 2011, is amended to
13 read as follows:

14 125.43 Funding at mental health institutes.
15 Chapter 230 governs the determination of the
16 costs and payment for treatment provided to ~~substance~~
17 ~~abusers or chronic substance abusers~~ persons with
18 substance-related disorders in a mental health
19 institute under the department of human services,
20 except that the charges are not a lien on real estate
21 owned by persons legally liable for support of the
22 ~~substance abuser or chronic substance abuser~~ person
23 with a substance-related disorder and the daily per
24 diem shall be billed at twenty-five percent. The
25 superintendent of a state hospital shall total only
26 those expenditures which can be attributed to the
27 cost of providing inpatient treatment to ~~substance~~
28 ~~abusers or chronic substance abusers~~ persons with
29 substance-related disorders for purposes of determining
30 the daily per diem. Section 125.44 governs the
31 determination of who is legally liable for the cost
32 of care, maintenance, and treatment of a ~~substance~~
33 ~~abuser or chronic substance abuser~~ person with a
34 substance-related disorder and of the amount for which
35 the person is liable.

36 Sec. 38. Section 125.43A, Code 2011, is amended to
37 read as follows:

38 125.43A Prescreening ---- exception.

39 Except in cases of medical emergency or
40 court-ordered admissions, a person shall be admitted
41 to a state mental health institute for substance
42 abuse treatment only after a preliminary intake and
43 assessment by a department-licensed treatment facility
44 or a hospital providing care or treatment for ~~substance~~
45 ~~abusers~~ persons with substance-related disorders
46 licensed under chapter 135B and accredited by the
47 joint commission on the accreditation of health care
48 organizations, the commission on accreditation of
49 rehabilitation facilities, the American osteopathic
50 association, or another recognized organization

1 approved by the board, or by a designee of a
2 department-licensed treatment facility or a hospital
3 other than a state mental health institute, which
4 confirms that the admission is appropriate to the
5 person's substance abuse service needs. A county board
6 of supervisors may seek an admission of a patient
7 to a state mental health institute who has not been
8 confirmed for appropriate admission and the county
9 shall be responsible for one hundred percent of the
10 cost of treatment and services of the patient.

11 Sec. 39. Section 125.44, Code 2011, is amended to
12 read as follows:

13 125.44 Agreements with facilities ---- liability for
14 costs.

15 The director may, consistent with the comprehensive
16 substance abuse program, enter into written
17 agreements with a facility as defined in section
18 125.2 to pay for one hundred percent of the cost of
19 the care, maintenance, and treatment of ~~substance~~
20 ~~abusers and chronic substance abusers~~ persons with
21 substance-related disorders, except when section
22 125.43A applies. All payments for state patients shall
23 be made in accordance with the limitations of this
24 section. Such contracts shall be for a period of no
25 more than one year.

26 The contract may be in the form and contain
27 provisions as agreed upon by the parties. The contract
28 shall provide that the facility shall admit and
29 treat ~~substance abusers and chronic substance abusers~~
30 persons with substance-related disorders regardless
31 of where they have residence. If one payment for
32 care, maintenance, and treatment is not made by the
33 patient or those legally liable for the patient, the
34 payment shall be made by the department directly to
35 the facility. Payments shall be made each month and
36 shall be based upon the rate of payment for services
37 negotiated between the department and the contracting
38 facility. If a facility projects a temporary cash flow
39 deficit, the department may make cash advances at the
40 beginning of each fiscal year to the facility. The
41 repayment schedule for advances shall be part of the
42 contract between the department and the facility. This
43 section does not pertain to patients treated at the
44 mental health institutes.

45 If the appropriation to the department is
46 insufficient to meet the requirements of this section,
47 the department shall request a transfer of funds and
48 section 8.39 shall apply.

49 The ~~substance abuser or chronic substance abuser~~
50 person with a substance-related disorder is legally

1 liable to the facility for the total amount of the cost
2 of providing care, maintenance, and treatment for the
3 ~~substance abuser or chronic substance abuser~~ person
4 with a substance-related disorder while a voluntary or
5 committed patient in a facility. This section does not
6 prohibit any individual from paying any portion of the
7 cost of treatment.

8 The department is liable for the cost of
9 care, treatment, and maintenance of ~~substance~~
10 ~~abusers and chronic substance abusers~~ persons with
11 substance-related disorders admitted to the facility
12 voluntarily or pursuant to section 125.75, 125.81,
13 or 125.91 or section 321J.3 or 124.409 only to those
14 facilities that have a contract with the department
15 under this section, only for the amount computed
16 according to and within the limits of liability
17 prescribed by this section, and only when the ~~substance~~
18 ~~abuser or chronic substance abuser~~ person with a
19 substance-related disorder is unable to pay the costs
20 and there is no other person, firm, corporation, or
21 insurance company bound to pay the costs.

22 The department's maximum liability for the costs
23 of care, treatment, and maintenance of ~~substance~~
24 ~~abusers and chronic substance abusers~~ persons with
25 substance-related disorders in a contracting facility
26 is limited to the total amount agreed upon by the
27 parties and specified in the contract under this
28 section.

29 Sec. 40. Section 125.46, Code 2011, is amended to
30 read as follows:

31 125.46 County of residence determined.

32 The facility shall, when a ~~substance abuser~~
33 ~~or chronic substance abuser~~ person with a
34 substance-related disorder is admitted, or as
35 soon thereafter as it receives the proper information,
36 determine and enter upon its records the Iowa county of
37 residence of the ~~substance abuser or chronic substance~~
38 ~~abuser~~ person with a substance-related disorder, or
39 that the person resides in some other state or country,
40 or that the person is unclassified with respect to
41 residence.

42 Sec. 41. Section 125.75, unnumbered paragraph 1,
43 Code 2011, is amended to read as follows:

44 Proceedings for the involuntary commitment or
45 treatment of a ~~chronic substance abuser~~ person with
46 a substance-related disorder to a facility may be
47 commenced by the county attorney or an interested
48 person by filing a verified application with the
49 clerk of the district court of the county where
50 the respondent is presently located or which is

1 the respondent's place of residence. The clerk or
2 the clerk's designee shall assist the applicant in
3 completing the application. The application shall:

4 Sec. 42. Section 125.75, subsection 1, Code 2011,
5 is amended to read as follows:

6 1. State the applicant's belief that the
7 respondent is a ~~chronic substance abuser~~ person with a
8 substance-related disorder.

9 Sec. 43. Section 125.80, subsections 3 and 4, Code
10 2011, are amended to read as follows:

11 3. If the report of a court-designated physician
12 is to the effect that the respondent is not a ~~chronic~~
13 ~~substance abuser~~ person with a substance-related
14 disorder, the court, without taking further action, may
15 terminate the proceeding and dismiss the application on
16 its own motion and without notice.

17 4. If the report of a court-designated physician
18 is to the effect that the respondent is a ~~chronic~~
19 ~~substance abuser~~ person with a substance-related
20 disorder, the court shall schedule a commitment
21 hearing as soon as possible. The hearing shall be
22 held not more than forty-eight hours after the report
23 is filed, excluding Saturdays, Sundays, and holidays,
24 unless an extension for good cause is requested by
25 the respondent, or as soon thereafter as possible if
26 the court considers that sufficient grounds exist for
27 delaying the hearing.

28 Sec. 44. Section 125.81, subsection 1, Code 2011,
29 is amended to read as follows:

30 1. If a person filing an application requests that
31 a respondent be taken into immediate custody, and the
32 court upon reviewing the application and accompanying
33 documentation, finds probable cause to believe that the
34 respondent is a ~~chronic substance abuser~~ person with
35 a substance-related disorder who is likely to injure
36 the person or other persons if allowed to remain at
37 liberty, the court may enter a written order directing
38 that the respondent be taken into immediate custody
39 by the sheriff, and be detained until the commitment
40 hearing, which shall be held no more than five days
41 after the date of the order, except that if the fifth
42 day after the date of the order is a Saturday, Sunday,
43 or a holiday, the hearing may be held on the next
44 business day. The court may order the respondent
45 detained for the period of time until the hearing is
46 held, and no longer except as provided in section
47 125.88, in accordance with subsection 2, paragraph
48 "a", if possible, and if not, then in accordance with
49 subsection 2, paragraph "b", or, only if neither of
50 these alternatives is available in accordance with

1 subsection 2, paragraph "c".

2 Sec. 45. Section 125.82, subsection 4, Code 2011,
3 is amended to read as follows:

4 4. The respondent's welfare is paramount, and the
5 hearing shall be tried as a civil matter and conducted
6 in as informal a manner as is consistent with orderly
7 procedure. Discovery as permitted under the Iowa rules
8 of civil procedure is available to the respondent. The
9 court shall receive all relevant and material evidence,
10 but the court is not bound by the rules of evidence.
11 A presumption in favor of the respondent exists, and
12 the burden of evidence and support of the contentions
13 made in the application shall be upon the person who
14 filed the application. If upon completion of the
15 hearing the court finds that the contention that the
16 respondent is a ~~chronic substance abuser~~ person with a
17 substance-related disorder has not been sustained by
18 clear and convincing evidence, the court shall deny the
19 application and terminate the proceeding.

20 Sec. 46. Section 125.83, Code 2011, is amended to
21 read as follows:

22 125.83 Placement for evaluation.

23 If upon completion of the commitment hearing,
24 the court finds that the contention that the
25 respondent is a ~~chronic substance abuser~~ person with
26 a substance-related disorder has been sustained by
27 clear and convincing evidence, the court shall order
28 the respondent placed at a facility or under the
29 care of a suitable facility on an outpatient basis as
30 expeditiously as possible for a complete evaluation
31 and appropriate treatment. The court shall furnish to
32 the facility at the time of admission or outpatient
33 placement, a written statement of facts setting forth
34 the evidence on which the finding is based. The
35 administrator of the facility shall report to the court
36 no more than fifteen days after the individual is
37 admitted to or placed under the care of the facility,
38 which shall include the chief medical officer's
39 recommendation concerning substance abuse treatment.
40 An extension of time may be granted for a period not
41 to exceed seven days upon a showing of good cause. A
42 copy of the report shall be sent to the respondent's
43 attorney who may contest the need for an extension of
44 time if one is requested. If the request is contested,
45 the court shall make an inquiry as it deems appropriate
46 and may either order the respondent released from
47 the facility or grant extension of time for further
48 evaluation. If the administrator fails to report to
49 the court within fifteen days after the individual is
50 admitted to the facility, and no extension of time has

1 been requested, the administrator is guilty of contempt
2 and shall be punished under chapter 665. The court
3 shall order a rehearing on the application to determine
4 whether the respondent should continue to be held at
5 the facility.

6 Sec. 47. Section 125.83A, subsection 1, Code 2011,
7 is amended to read as follows:

8 1. If upon completion of the commitment hearing,
9 the court finds that the contention that the
10 respondent is a ~~chronic substance abuser~~ person with a
11 substance-related disorder has been sustained by clear
12 and convincing evidence, and the court is furnished
13 evidence that the respondent is eligible for care
14 and treatment in a facility operated by the United
15 States department of veterans affairs or another
16 agency of the United States government and that the
17 facility is willing to receive the respondent, the
18 court may so order. The respondent, when so placed in
19 a facility operated by the United States department
20 of veterans affairs or another agency of the United
21 States government within or outside of this state,
22 shall be subject to the rules of the United States
23 department of veterans affairs or other agency, but
24 shall not lose any procedural rights afforded the
25 respondent by this chapter. The chief officer of the
26 facility shall have, with respect to the respondent
27 so placed, the same powers and duties as the chief
28 medical officer of a hospital in this state would
29 have in regard to submission of reports to the court,
30 retention of custody, transfer, convalescent leave, or
31 discharge. Jurisdiction is retained in the court to
32 maintain surveillance of the respondent's treatment and
33 care, and at any time to inquire into the respondent's
34 condition and the need for continued care and custody.

35 Sec. 48. Section 125.84, subsections 2, 3, and 4,
36 Code 2011, are amended to read as follows:

37 2. That the respondent is a ~~chronic substance~~
38 ~~abuser~~ person with a substance-related disorder who
39 is in need of full-time custody, care, and treatment
40 in a facility, and is considered likely to benefit
41 from treatment. If the report so states, the court
42 shall enter an order which may require the respondent's
43 continued placement and commitment to a facility for
44 appropriate treatment.

45 3. That the respondent is a ~~chronic substance~~
46 ~~abuser~~ person with a substance-related disorder who is
47 in need of treatment, but does not require full-time
48 placement in a facility. If the report so states,
49 the report shall include the chief medical officer's
50 recommendation for treatment of the respondent on an

1 outpatient or other appropriate basis, and the court
2 shall enter an order which may direct the respondent to
3 submit to the recommended treatment. The order shall
4 provide that if the respondent fails or refuses to
5 submit to treatment, as directed by the court's order,
6 the court may order that the respondent be taken into
7 immediate custody as provided by section 125.81 and,
8 following notice and hearing held in accordance with
9 the procedures of sections 125.77 and 125.82, may order
10 the respondent treated as a patient requiring full-time
11 custody, care, and treatment as provided in subsection
12 2, and may order the respondent involuntarily committed
13 to a facility.

14 4. That the respondent is a ~~chronic substance~~
15 ~~abuser~~ person with a substance-related disorder who is
16 in need of treatment, but in the opinion of the chief
17 medical officer is not responding to the treatment
18 provided. If the report so states, the report shall
19 include the facility administrator's recommendation
20 for alternative placement, and the court shall enter
21 an order which may direct the respondent's transfer
22 to the recommended placement or to another placement
23 after consultation with respondent's attorney and the
24 facility administrator who made the report under this
25 subsection.

26 Sec. 49. Section 125.91, subsections 1, 2, and 3,
27 Code 2011, are amended to read as follows:

28 1. The procedure prescribed by this section
29 shall only be used for ~~an intoxicated~~ a person with
30 a substance-related disorder due to intoxication or
31 substance-induced incapacitation who has threatened,
32 attempted, or inflicted physical self-harm or harm on
33 another, and is likely to inflict physical self-harm or
34 harm on another unless immediately detained, or who is
35 incapacitated by a ~~chemical~~ substance, if that person
36 cannot be taken into immediate custody under sections
37 125.75 and 125.81 because immediate access to the court
38 is not possible.

39 2. a. A peace officer who has reasonable
40 grounds to believe that the circumstances described
41 in subsection 1 are applicable may, without a
42 warrant, take or cause that person to be taken to the
43 nearest available facility referred to in section
44 125.81, subsection 2, paragraph "b" or "c". Such
45 ~~an intoxicated or incapacitated~~ a person with a
46 substance-related disorder due to intoxication or
47 substance-induced incapacitation who also demonstrates
48 a significant degree of distress or dysfunction may
49 also be delivered to a facility by someone other than
50 a peace officer upon a showing of reasonable grounds.

1 Upon delivery of the person to a facility under this
2 section, the examining physician may order treatment
3 of the person, but only to the extent necessary to
4 preserve the person's life or to appropriately control
5 the person's behavior if the behavior is likely to
6 result in physical injury to the person or others
7 if allowed to continue. The peace officer or other
8 person who delivered the person to the facility
9 shall describe the circumstances of the matter to
10 the examining physician. If the person is a peace
11 officer, the peace officer may do so either in person
12 or by written report. If the examining physician has
13 reasonable grounds to believe that the circumstances in
14 subsection 1 are applicable, the examining physician
15 shall at once communicate with the nearest available
16 magistrate as defined in section 801.4, subsection 10.
17 The magistrate shall, based upon the circumstances
18 described by the examining physician, give the
19 examining physician oral instructions either directing
20 that the person be released forthwith, or authorizing
21 the person's detention in an appropriate facility.
22 The magistrate may also give oral instructions and
23 order that the detained person be transported to an
24 appropriate facility.

25 b. If the magistrate orders that the person be
26 detained, the magistrate shall, by the close of
27 business on the next working day, file a written order
28 with the clerk in the county where it is anticipated
29 that an application may be filed under section 125.75.
30 The order may be filed by facsimile if necessary. The
31 order shall state the circumstances under which the
32 person was taken into custody or otherwise brought to
33 a facility and the grounds supporting the finding of
34 probable cause to believe that the person is a ~~chronic~~
35 ~~substance-abuser~~ person with a substance-related
36 disorder likely to result in physical injury to the
37 person or others if not detained. The order shall
38 confirm the oral order authorizing the person's
39 detention including any order given to transport the
40 person to an appropriate facility. The clerk shall
41 provide a copy of that order to the ~~chief medical~~
42 ~~officer of the facility~~ attending physician, to
43 which the person was originally taken, any subsequent
44 facility to which the person was transported, and
45 to any law enforcement department or ambulance
46 service that transported the person pursuant to the
47 magistrate's order.

48 3. The ~~chief medical officer of the facility~~
49 attending physician shall examine and may detain the
50 person pursuant to the magistrate's order for a period

1 not to exceed forty-eight hours from the time the order
2 is dated, excluding Saturdays, Sundays, and holidays,
3 unless the order is dismissed by a magistrate. The
4 facility may provide treatment which is necessary to
5 preserve the person's life or to appropriately control
6 the person's behavior if the behavior is likely to
7 result in physical injury to the person or others if
8 allowed to continue or is otherwise deemed medically
9 necessary by the ~~chief medical officer~~ attending
10 physician, but shall not otherwise provide treatment to
11 the person without the person's consent. The person
12 shall be discharged from the facility and released
13 from detention no later than the expiration of the
14 forty-eight-hour period, unless an application for
15 involuntary commitment is filed with the clerk pursuant
16 to section 125.75. The detention of a person by the
17 procedure in this section, and not in excess of the
18 period of time prescribed by this section, shall not
19 render the peace officer, attending physician, or
20 facility detaining the person liable in a criminal or
21 civil action for false arrest or false imprisonment
22 if the peace officer, physician, or facility had
23 reasonable grounds to believe that the circumstances
24 described in subsection 1 were applicable.

25 Sec. 50. Section 226.9C, subsection 2, paragraph c,
26 Code 2011, is amended to read as follows:

27 c. (1) Prior to an individual's admission for dual
28 diagnosis treatment, the individual shall have been
29 prescreened. The person performing the prescreening
30 shall be either the mental health professional, as
31 defined in section 228.1, who is contracting with the
32 county central-point-of-coordination process to provide
33 the prescreening or a mental health professional
34 with the requisite qualifications. A mental health
35 professional with the requisite qualifications shall
36 meet all of the following qualifications: is a mental
37 health professional as defined in section 228.1, is
38 a certified alcohol and drug counselor certified by
39 the nongovernmental Iowa board of substance abuse
40 certification, and is employed by or providing services
41 for a facility, as defined in section 125.2.

42 (2) Prior to an individual's admission for dual
43 diagnosis treatment, the individual shall have
44 been screened through a county's central point of
45 coordination process implemented pursuant to section
46 331.440 to determine the appropriateness of the
47 treatment.

48 Sec. 51. Section 229.1, subsection 12, Code 2011,
49 is amended to read as follows:

50 12. "Psychiatric advanced registered nurse

1 practitioner" means an individual currently licensed as
2 a registered nurse under chapter 152 or 152E who holds
3 a national certification in psychiatric mental health
4 care and who is registered with the board of nursing as
5 an advanced registered nurse practitioner.

6 Sec. 52. Section 229.15, subsection 3, paragraph a,
7 Code 2011, is amended to read as follows:

8 a. A psychiatric advanced registered nurse
9 practitioner treating a patient previously hospitalized
10 under this chapter may complete periodic reports
11 pursuant to this section on the patient if the patient
12 has been recommended for treatment on an outpatient or
13 other appropriate basis pursuant to section 229.14,
14 subsection 1, paragraph "c", ~~and if a psychiatrist~~
15 ~~licensed pursuant to chapter 148 personally evaluates~~
16 ~~the patient on at least an annual basis.~~

17 Sec. 53. Section 229.21, subsection 2, Code 2011,
18 is amended to read as follows:

19 2. When an application for involuntary
20 hospitalization under this chapter or an application
21 for involuntary commitment or treatment of ~~chronic~~
22 ~~substance abusers~~ persons with substance-related
23 disorders under sections 125.75 to 125.94 is filed with
24 the clerk of the district court in any county for which
25 a judicial hospitalization referee has been appointed,
26 and no district judge, district associate judge, or
27 magistrate who is admitted to the practice of law in
28 this state is accessible, the clerk shall immediately
29 notify the referee in the manner required by section
30 229.7 or section 125.77. The referee shall discharge
31 all of the duties imposed upon the court by sections
32 229.7 to 229.22 or sections 125.75 to 125.94 in the
33 proceeding so initiated. Subject to the provisions of
34 subsection 4, orders issued by a referee, in discharge
35 of duties imposed under this section, shall have the
36 same force and effect as if ordered by a district
37 judge. However, any commitment to a facility regulated
38 and operated under chapter 135C, shall be in accordance
39 with section 135C.23.

40 Sec. 54. Section 229.21, subsection 3, paragraphs a
41 and b, Code 2011, are amended to read as follows:

42 a. Any respondent with respect to whom the
43 magistrate or judicial hospitalization referee has
44 found the contention that the respondent is seriously
45 mentally impaired or a ~~chronic substance abuser~~ person
46 with a substance-related disorder sustained by clear
47 and convincing evidence presented at a hearing held
48 under section 229.12 or section 125.82, may appeal from
49 the magistrate's or referee's finding to a judge of the
50 district court by giving the clerk notice in writing,

1 within ten days after the magistrate's or referee's
2 finding is made, that an appeal is taken. The appeal
3 may be signed by the respondent or by the respondent's
4 next friend, guardian, or attorney.

5 b. An order of a magistrate or judicial
6 hospitalization referee with a finding that the
7 respondent is seriously mentally impaired or a ~~chronic~~
8 ~~substance-abuser~~ person with a substance-related
9 disorder shall include the following notice, located
10 conspicuously on the face of the order:

11 NOTE: The respondent may appeal from this order to a
12 judge of the district court by giving written notice of
13 the appeal to the clerk of the district court within
14 ten days after the date of this order. The appeal may
15 be signed by the respondent or by the respondent's next
16 friend, guardian, or attorney. For a more complete
17 description of the respondent's appeal rights, consult
18 section 229.21 of the Code of Iowa or an attorney.

19 Sec. 55. Section 229.21, subsection 4, Code 2011,
20 is amended to read as follows:

21 4. If the appellant is in custody under the
22 jurisdiction of the district court at the time
23 of service of the notice of appeal, the appellant
24 shall be discharged from custody unless an order
25 that the appellant be taken into immediate custody
26 has previously been issued under section 229.11 or
27 section 125.81, in which case the appellant shall
28 be detained as provided in that section until the
29 hospitalization or commitment hearing before the
30 district judge. If the appellant is in the custody of
31 a hospital or facility at the time of service of the
32 notice of appeal, the appellant shall be discharged
33 from custody pending disposition of the appeal unless
34 the chief medical officer, not later than the end of
35 the next secular day on which the office of the clerk
36 is open and which follows service of the notice of
37 appeal, files with the clerk a certification that in
38 the chief medical officer's opinion the appellant is
39 seriously mentally ill or a ~~substance-abuser~~ person
40 with a substance-related disorder. In that case, the
41 appellant shall remain in custody of the hospital
42 or facility until the hospitalization or commitment
43 hearing before the district court.

44 Sec. 56. Section 230.15, unnumbered paragraph 2,
45 Code 2011, is amended to read as follows:

46 A ~~substance-abuser or chronic substance-abuser~~
47 person with a substance-related disorder is legally
48 liable for the total amount of the cost of providing
49 care, maintenance, and treatment for the ~~substance~~
50 ~~abuser or chronic substance-abuser~~ person with a

1 substance-related disorder while a voluntary or
2 committed patient. When a portion of the cost is paid
3 by a county, the ~~substance abuser or chronic substance~~
4 ~~abuser~~ person with a substance-related disorder is
5 legally liable to the county for the amount paid.
6 The ~~substance abuser or chronic substance abuser~~
7 person with a substance-related disorder shall assign
8 any claim for reimbursement under any contract of
9 indemnity, by insurance or otherwise, providing for
10 the ~~abuser's~~ person's care, maintenance, and treatment
11 in a state hospital to the state. Any payments
12 received by the state from or on behalf of a ~~substance~~
13 ~~abuser or chronic substance abuser~~ person with a
14 substance-related disorder shall be in part credited
15 to the county in proportion to the share of the costs
16 paid by the county. Nothing in this section shall be
17 construed to prevent a relative or other person from
18 voluntarily paying the full actual cost or any portion
19 of the care and treatment of any person with mental
20 illness, ~~substance abuser, or chronic substance abuser~~
21 or a substance-related disorder as established by the
22 department of human services.

23 Sec. 57. Section 232.116, subsection 1, paragraph
24 1, subparagraph (2), Code 2011, is amended to read as
25 follows:

26 (2) The parent has a severe, ~~chronic substance~~
27 ~~abuse problem,~~ substance-related disorder and presents
28 a danger to self or others as evidenced by prior acts.

29 Sec. 58. Section 600A.8, subsection 8, paragraph a,
30 Code 2011, is amended to read as follows:

31 a. The parent has been determined to be a ~~chronic~~
32 ~~substance abuser~~ person with a substance-related
33 disorder as defined in section 125.2 and the parent has
34 committed a second or subsequent domestic abuse assault
35 pursuant to section 708.2A.

36 Sec. 59. Section 602.4201, subsection 3, paragraph
37 h, Code 2011, is amended to read as follows:

38 h. Involuntary commitment or treatment of ~~substance~~
39 ~~abusers~~ persons with a substance-related disorders.

40 Sec. 60. IMPLEMENTATION OF ACT. Section 25B.2,
41 subsection 3, shall not apply to this division of this
42 Act.

43 Sec. 61. EFFECTIVE DATE. This division of this Act
44 takes effect July 1, 2012.>

By SCHULTE of Linn

SENATE FILE 525

H-1723

1 Amend the amendment, H-1717, to Senate File 525,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 8, after line 8 by inserting:

5 <Sec. _____. NEW SECTION. 2.70 Disability services
6 -- administration and funding.

7 1. For the purposes of this section, "disability
8 services" means the same as defined in section 225C.2.

9 2. State, federal, and county requirements and
10 other provisions for the administration and funding
11 of publicly funded disability services for children
12 and adults shall be subject to legislative review at
13 least every five years. The review shall be based
14 upon a status report containing the recommendations of
15 a legislative interim committee appointed to conduct
16 a review of the provisions, to be prepared with the
17 assistance of the department of human services, in
18 association with the departments of management and
19 revenue. The report shall include recommendations
20 for changes to or revisions of the administration and
21 funding provisions based upon demographic changes,
22 trends, and property tax valuation fluctuations
23 observed during the preceding five-year interval;
24 an analysis of the operation of the state funding
25 provisions during the preceding five-year interval; and
26 a summary of issues that have arisen since the previous
27 review and potential approaches for their resolution.
28 The first such report shall be submitted to the general
29 assembly for consideration during the 2015 regular
30 legislative session, with subsequent reports developed
31 and submitted to the general assembly at least every
32 fifth year thereafter.

33 Sec. _____. Section 331.424A, subsection 6, as
34 enacted by 2011 Iowa Acts, Senate File 209, section 22,
35 is amended to read as follows:

36 6. This section is repealed July 1, ~~2013~~ 2018.

37 Sec. _____. Section 331.438, subsection 5, as enacted
38 by 2011 Iowa Acts, Senate File 209, section 23, is
39 amended to read as follows:

40 5. This section is repealed July 1, ~~2013~~ 2018.

41 Sec. _____. Section 331.439, subsection 10, as
42 enacted by 2011 Iowa Acts, Senate File 209, section 24,
43 is amended to read as follows:

44 10. This section is repealed July 1, ~~2013~~ 2018.

45 Sec. _____. Section 331.440, subsection 7, as enacted
46 by 2011 Iowa Acts, Senate File 209, section 25, is
47 amended to read as follows:

48 7. This section is repealed July 1, ~~2013~~ 2018.

49 Sec. _____. Section 426B.1, Code 2011, is amended by
50 adding the following new subsection:

H-1723

-1-

1 NEW SUBSECTION. 3. In addition to the
2 appropriation made pursuant to subsection 2, there is
3 appropriated from the general fund of the state to the
4 property tax relief fund for the indicated fiscal years
5 the following amounts:
6 a. For the fiscal year beginning July 1, 2013,
7 twenty-five million dollars.
8 b. For the fiscal year beginning July 1, 2014,
9 fifty million dollars.
10 c. For the fiscal year beginning July 1, 2015,
11 seventy-five million dollars.
12 d. For the fiscal year beginning July 1, 2016, one
13 hundred million dollars.
14 e. For the fiscal year beginning July 1, 2017, one
15 hundred twenty-five million dollars.
16 Sec. _____. Section 426B.6, as enacted by 2011 Iowa
17 Acts, Senate File 209, section 26, is amended to read
18 as follows:
19 426B.6 Future repeal.
20 This chapter is repealed July 1, ~~2013~~ 2018.>
21 2. By renumbering as necessary.

By SCHULTE of Linn

SENATE FILE 525

H-1727

1 Amend the amendment, H-1717, to Senate File 525,
2 as amended, passed, and reprinted by the Senate, as
3 follows:

4 1. Page 2, line 15, after <209> by inserting <,
5 as amended by this Act. In addressing the repeal
6 provisions, the interim committee shall include options
7 for further revisions to the repeal date amendments
8 enacted by this Act>

9 2. Page 8, after line 8 by inserting:

10 <Sec. _____. Section 331.424A, subsection 6, as
11 enacted by 2011 Iowa Acts, Senate File 209, section 22,
12 is amended to read as follows:

13 6. This section is repealed July 1, ~~2013~~ 2015.

14 Sec. _____. Section 331.438, subsection 5, as enacted
15 by 2011 Iowa Acts, Senate File 209, section 23, is
16 amended to read as follows:

17 5. This section is repealed July 1, ~~2013~~ 2015.

18 Sec. _____. Section 331.439, subsection 10, as
19 enacted by 2011 Iowa Acts, Senate File 209, section 24,
20 is amended to read as follows:

21 10. This section is repealed July 1, ~~2013~~ 2015.

22 Sec. _____. Section 331.440, subsection 7, as enacted
23 by 2011 Iowa Acts, Senate File 209, section 25, is
24 amended to read as follows:

25 7. This section is repealed July 1, ~~2013~~ 2015.

26 Sec. _____. Section 426B.6, as enacted by 2011 Iowa
27 Acts, Senate File 209, section 26, is amended to read
28 as follows:

29 426B.6 Future repeal.

30 This chapter is repealed July 1, ~~2013~~ 2015.>

31 3. By renumbering as necessary.

By ISENHART of Dubuque
PETERSEN of Polk

H-1727 FILED MAY 10, 2011

SENATE FILE 533

H-1720

1 Amend Senate File 533, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting clause
4 and inserting:

<DIVISION I

MH/MR/DD SERVICES ALLOWED GROWTH FUNDING ---- FY
2012-2013

8 Section 1. ADULT MH/MR/DD SERVICES ALLOWED
9 GROWTH FUNDING ---- FY 2012-2013. Notwithstanding
10 section 331.439, subsection 3, the allowed growth
11 factor adjustment for county mental health, mental
12 retardation, and developmental disabilities service
13 expenditures for the fiscal year beginning July 1,
14 2012, shall be established by statute which shall be
15 enacted within thirty calendar days of the convening
16 of the Eighty-fourth General Assembly, 2012 Session,
17 on January 9, 2012. The governor shall submit to the
18 general assembly a recommendation for such allowed
19 growth factor adjustment and the amounts of related
20 appropriations to the general assembly on or before
21 January 9, 2012.

DIVISION II

STANDING APPROPRIATIONS AND RELATED MATTERS

24 Sec. 2. BUDGET PROCESS FOR FISCAL YEAR 2012-2013.

25 1. For the budget process applicable to the fiscal
26 year beginning July 1, 2012, on or before October 1,
27 2011, in lieu of the information specified in section
28 8.23, subsection 1, unnumbered paragraph 1, and
29 paragraph "a", all departments and establishments of
30 the government shall transmit to the director of the
31 department of management, on blanks to be furnished
32 by the director, estimates of their expenditure
33 requirements, including every proposed expenditure, for
34 the ensuing fiscal year, together with supporting data
35 and explanations as called for by the director of the
36 department of management after consultation with the
37 legislative services agency.

38 2. The estimates of expenditure requirements
39 shall be in a form specified by the director of
40 the department of management, and the expenditure
41 requirements shall include all proposed expenditures
42 and shall be prioritized by program or the results to
43 be achieved. The estimates shall be accompanied by
44 performance measures for evaluating the effectiveness
45 of the programs or results.

46 Sec. 3. GENERAL ASSEMBLY.

47 1. The appropriations made pursuant to section
48 2.12 for the expenses of the general assembly and

49 legislative agencies for the fiscal year beginning July
50 1, 2011, and ending June 30, 2012, are reduced by the
H-1720

1 following amount:

2 \$ 3,750,000

3 2. The budgeted amounts for the general assembly
4 for the fiscal year beginning July 1, 2011, may be
5 adjusted to reflect unexpended budgeted amounts from
6 the previous fiscal year.

7 Sec. 4. LIMITATION OF STANDING APPROPRIATIONS.

8 Notwithstanding the standing appropriations in the
9 following designated sections for the fiscal year
10 beginning July 1, 2011, and ending June 30, 2012, the
11 amounts appropriated from the general fund of the state
12 pursuant to these sections for the following designated
13 purposes shall not exceed the following amounts:

14 1. For performance of duty by the executive council
15 in sections 7D.29, 8A.321, and 29C.20:

16 \$ 3,000,000

17 2. For operational support grants and community
18 cultural grants under section 99F.11, subsection 3,
19 paragraph "d", subparagraph (1):

20 \$ 416,702

21 3. For regional tourism marketing under section
22 99F.11, subsection 3, paragraph "d", subparagraph (2):

23 \$ 310,306

24 4. For the center for congenital and inherited
25 disorders central registry under section 144.13A,
26 subsection 4, paragraph "a":

27 \$ 171,121

28 5. For primary and secondary child abuse prevention
29 programs under section 144.13A, subsection 4, paragraph
30 "a":

31 \$ 217,772

32 6. For programs for at-risk children under section
33 279.51:

34 \$ 6,204,258

35 The amount of any reduction in this subsection shall
36 be prorated among the programs specified in section
37 279.51, subsection 1, paragraphs "a", "b", and "c".

38 7. For payment for nonpublic school transportation
39 under section 285.2:

40 \$ 7,060,931

41 If total approved claims for reimbursement for
42 nonpublic school pupil transportation exceed the amount
43 appropriated in accordance with this subsection, the
44 department of education shall prorate the amount of
45 each approved claim.

46 8. For reimbursement for the homestead property tax
47 credit under section 425.1:

48 \$ 86,188,387

49 9. For reimbursement for the family farm and
50 agricultural land tax credits under sections 425A.1 and

1 426.1:
2 \$ 32,395,131
3 10. For the enforcement of chapter 453D relating to
4 tobacco product manufacturers under section 453D.8:
5 \$ 18,416

6 Sec. 5. INSTRUCTIONAL SUPPORT STATE AID ---- FY
7 2011-2012. In lieu of the appropriation provided in
8 section 257.20, subsection 2, the appropriation for the
9 fiscal year beginning July 1, 2011, and ending June 30,
10 2012, for paying instructional support state aid under
11 section 257.20 for fiscal year 2011-2012 is zero.

12 Sec. 6. Section 257.35, Code 2011, is amended by
13 adding the following new subsection:

14 NEW SUBSECTION. 5A. Notwithstanding subsection 1,
15 and in addition to the reduction applicable pursuant
16 to subsection 2, the state aid for area education
17 agencies and the portion of the combined district cost
18 calculated for these agencies for the fiscal year
19 beginning July 1, 2011, and ending June 30, 2012, shall
20 be reduced by the department of management by twenty
21 million dollars. The reduction for each area education
22 agency shall be prorated based on the reduction that
23 the agency received in the fiscal year beginning July
24 1, 2003.

25 Sec. 7. Section 453A.35, subsection 1, Code 2011,
26 is amended to read as follows:

27 1. a. The With the exception of revenues credited
28 to the health care trust fund pursuant to paragraph
29 "b", the proceeds derived from the sale of stamps and
30 the payment of taxes, fees, and penalties provided for
31 under this chapter, and the permit fees received from
32 all permits issued by the department, shall be credited
33 to the general fund of the state. However, of

34 b. Of the revenues generated from the tax on
35 cigarettes pursuant to section 453A.6, subsection
36 1, and from the tax on tobacco products as specified
37 in section 453A.43, subsections 1, 2, 3, and 4, and
38 credited to the general fund of the state under this
39 subsection, there is appropriated, annually, to the
40 health care trust fund created in section 453A.35A, the
41 first one hundred six million sixteen thousand four
42 hundred dollars shall be credited to the health care
43 trust fund created in section 453A.35A.

44 Sec. 8. Section 453A.35A, subsection 1, Code 2011,
45 is amended to read as follows:

46 1. A health care trust fund is created in the
47 office of the treasurer of state. The fund consists
48 of the revenues generated from the tax on cigarettes
49 pursuant to section 453A.6, subsection 1, and from
50 the tax on tobacco products as specified in section

1 453A.43, subsections 1, 2, 3, and 4, that are credited
2 to the ~~general fund of the state and appropriated to~~
3 ~~the~~ health care trust fund, annually, pursuant to
4 section 453A.35. Moneys in the fund shall be separate
5 from the general fund of the state and shall not be
6 considered part of the general fund of the state.
7 However, the fund shall be considered a special account
8 for the purposes of section 8.53 relating to generally
9 accepted accounting principles. Moneys in the fund
10 shall be used only as specified in this section and
11 shall be appropriated only for the uses specified.
12 Moneys in the fund are not subject to section 8.33
13 and shall not be transferred, used, obligated,
14 appropriated, or otherwise encumbered, except as
15 provided in this section. Notwithstanding section
16 12C.7, subsection 2, interest or earnings on moneys
17 deposited in the fund shall be credited to the fund.

18 DIVISION III

19 SALARIES, COMPENSATION, AND RELATED MATTERS

20 Sec. 9. BONUS PAY. For the fiscal years beginning
21 July 1, 2011, and July 1, 2012, employees of the
22 executive branch, judicial branch, and legislative
23 branch shall not receive bonus pay unless otherwise
24 authorized by law, required pursuant to a contract
25 of employment entered into before July 1, 2011,
26 or required pursuant to a collective bargaining
27 agreement. This section does not apply to employees
28 of the state board of regents who receive bonuses
29 funded by nonpublic moneys. For purposes of this
30 section, "bonus pay" means any additional remuneration
31 provided an employee in the form of a bonus, including
32 but not limited to a retention bonus, recruitment
33 bonus, exceptional job performance pay, extraordinary
34 job performance pay, exceptional performance pay,
35 extraordinary duty pay, or extraordinary or special
36 duty pay, and any extra benefit not otherwise provided
37 to other similarly situated employees.

38 Sec. 10. SALARY INCREASES ---- CERTAIN REVOLVING
39 FUNDS.

40 1. For the fiscal years beginning July 1, 2011, and
41 July 1, 2012, there is appropriated from the gaming
42 enforcement revolving fund an amount necessary for
43 funding annual pay adjustments and related benefits
44 for agents and officers of the division of criminal
45 investigation's racetrack, excursion boat, or gambling
46 structure enforcement activities.

47 2. For the fiscal years beginning July 1, 2011,
48 and July 1, 2012, there is appropriated from the
49 gaming regulatory revolving fund, if enacted by the
50 Eighty-fourth General Assembly, 2011 session, an

1 amount necessary for funding annual pay adjustments and
2 related benefits for positions in the racing and gaming
3 commission of the department of inspections and appeals
4 who are assigned to administration and enforcement of
5 the excursion boat and gambling structure laws.

6 Sec. 11. STATE TROOPER MEAL ALLOWANCE. For the
7 fiscal years beginning July 1, 2011, and July 1, 2012,
8 the sworn peace officers in the department of public
9 safety who are not covered by a collective bargaining
10 agreement negotiated pursuant to chapter 20 shall
11 receive the same per diem meal allowance as the sworn
12 peace officers in the department of public safety
13 who are covered by a collective bargaining agreement
14 negotiated pursuant to chapter 20.

15 Sec. 12. SALARY MODEL ADMINISTRATOR. The salary
16 model administrator shall work in conjunction with
17 the legislative services agency to maintain the
18 state's salary model used for analyzing, comparing,
19 and projecting state employee salary and benefit
20 information, including information relating to
21 employees of the state board of regents. The
22 department of revenue, the department of administrative
23 services, the five institutions under the jurisdiction
24 of the state board of regents, the judicial district
25 departments of correctional services, and the state
26 department of transportation shall provide salary data
27 to the department of management and the legislative
28 services agency to operate the state's salary
29 model. The format and frequency of provision of the
30 salary data shall be determined by the department of
31 management and the legislative services agency. The
32 information shall be used in collective bargaining
33 processes under chapter 20 and in calculating the
34 funding needs contained within the annual salary
35 adjustment legislation. A state employee organization
36 as defined in section 20.3, subsection 4, may request
37 information produced by the model, but the information
38 provided shall not contain information attributable to
39 individual employees.

40 Sec. 13. GROUP HEALTH INSURANCE PREMIUM COSTS FOR
41 STATE EMPLOYEES.

42 1. The state's executive and judicial branch
43 authorities responsible for negotiating the collective
44 bargaining agreements entered into under chapter 20
45 shall engage in discussions with the applicable state
46 employee organizations to renegotiate provisions
47 involving health insurance coverage of state employees
48 and their families in order to achieve cost savings
49 for the state. The discussions shall include but are
50 not limited to a requirement for a state employee who

1 is covered by a collective bargaining agreement and
2 is a member of state group health insurance plan for
3 employees of the state established under chapter 509A
4 to pay at least one hundred dollars per month of the
5 total premium for such health plan coverage for single
6 persons or increase the amount paid per month for
7 family coverage by the same amount that would be paid
8 for the single person's coverage.

9 2. If collective bargaining agreements are
10 renegotiated to achieve cost savings pursuant to
11 subsection 1, the cost savings provisions shall
12 also apply to state employees who are not covered by
13 collective bargaining as provided in chapter 20 and
14 are members of a state group health insurance plan for
15 employees of the state established under chapter 509A.

16 3. Beginning on the effective date of this section,
17 a state legislator or legislative staff member who is
18 a member of a state group health insurance plan for
19 employees of the state established under chapter 509A
20 shall pay at least one hundred dollars per month of the
21 total premium for such health care coverage for single
22 persons or increase the amount paid per month for
23 family coverage by the same amount that would be paid
24 for the single persons coverage. The payment amount
25 shall be determined by the legislative council, subject
26 to the minimum amount specified in this subsection.

27 Sec. 14. NEW SECTION. 8A.440 Group health
28 insurance premium costs.

29 1. Collective bargaining agreements entered into
30 pursuant to chapter 20 for state employees shall
31 provide that a state employee covered by that agreement
32 who is a member of a state group health insurance plan
33 for employees of the state established under chapter
34 509A shall pay at least one hundred dollars per month
35 of the total premium for such insurance for single
36 persons or increase the amount paid per month for
37 family coverage by the same amount that would be paid
38 for the single person's coverage.

39 2. A state employee not covered by a collective
40 bargaining agreement as provided in chapter 20 who
41 is a member of a state group health insurance plan
42 for employees of the state established under chapter
43 509A shall pay the same amount per month of the
44 total premium for such insurance as is paid under
45 the collective bargaining agreement that covers
46 the greatest number of state employees in the state
47 government entity employing the state employee.

48 Sec. 15. APPLICABILITY. The section of this
49 division of this Act enacting section 8A.440, applies
50 to collective bargaining agreements entered into on

1 or after the effective date of that section of this
2 division of this Act.

3 Sec. 16. EFFECTIVE UPON ENACTMENT. The following
4 sections of this division of this Act, being deemed of
5 immediate importance, take effect upon enactment:

6 1. The section of this division relating to group
7 health insurance premium costs for state employees.

8 2. The section of this division enacting section
9 8A.440.

10 3. The section of this division relating to
11 applicability.

12 DIVISION IV

13 CORRECTIVE PROVISIONS

14 Sec. 17. Section 8.6, subsection 9A, as enacted by
15 2011 Iowa Acts, House File 45, section 39, is amended
16 to read as follows:

17 9A. Budget and tax rate databases. To develop
18 and make available to the public a searchable budget
19 database and internet site as required under chapter
20 8G, ~~division~~ subchapter I, and to develop and make
21 available to the public a searchable tax rate database
22 and internet site as required under chapter 8G,
23 ~~division~~ subchapter II.

24 Sec. 18. Section 8.57E, subsection 3, paragraph a,
25 as enacted by 2011 Iowa Acts, Senate File 209, section
26 30, is amended to read as follows:

27 a. Moneys in the ~~taxpayer's~~ taxpayers trust fund
28 may be used for cash flow purposes during a fiscal year
29 provided that any moneys so allocated are returned to
30 the fund by the end of that fiscal year.

31 Sec. 19. Section 8G.13, as enacted by 2011 Iowa
32 Acts, House File 45, section 50, is amended to read as
33 follows:

34 8G.13 Updating database.

35 To facilitate the department of management's efforts
36 in creating and maintaining a searchable database of
37 the taxes identified in section 8G.12, subsection ~~3~~ 1,
38 for all taxing jurisdictions in the state, each taxing
39 jurisdiction may annually be required to report its tax
40 rates to the department of management or the department
41 of revenue and shall report any changes to its tax
42 rates within thirty days of the change.

43 Sec. 20. Section 16.193, subsection 3, paragraph a,
44 Code 2011, as amended by 2011 Iowa Acts, Senate File
45 475, section 11, is amended to read as follows:

46 a. During the term of the Iowa jobs program and
47 Iowa jobs II program, the Iowa finance authority shall
48 collect data on all of the projects approved for the
49 ~~program~~ programs. The department of management and
50 the state agencies associated with the projects shall

1 assist the authority with the data collection and in
2 developing the report required by this subsection. The
3 authority shall report quarterly to the governor and
4 the general assembly concerning the data.

5 Sec. 21. Section 68A.401, subsection 4, Code 2011,
6 as amended by 2011 Iowa Acts, [Senate File 475](#), section
7 17, is amended to read as follows:

8 4. Political committees expressly advocating the
9 nomination, election, or defeat of candidates for
10 both federal office and any elected office created
11 by law or the Constitution of the State of Iowa
12 shall file statements and reports with the board in
13 addition to any federal reports required to be filed
14 with the board. However, a political committee that
15 is registered and filing full disclosure reports of
16 all financial activities with the federal election
17 commission may file verified statements as provided in
18 section ~~68B.201A~~ 68A.201A.

19 Sec. 22. Section 139A.19, subsection 3, as enacted
20 by 2011 Iowa Acts, [House File 467](#), section 20, is
21 amended to read as follows:

22 3. This section does not preclude a hospital,
23 clinic, other health facility, or a health care
24 provider from providing notification to a care
25 provider under circumstances in which the hospital's,
26 clinic's, other health facility's, or health care
27 provider's policy provides for notification of the
28 hospital's, ~~clinics~~ clinic's, other health facility's,
29 or health care provider's own employees of exposure
30 to a contagious or infectious disease that is not
31 life-threatening if the notice does not reveal a
32 patient's name, unless the patient consents.

33 Sec. 23. Section 175.3, subsection 1, paragraph a,
34 Code 2011, as amended by 2011 Iowa Acts, Senate File
35 429, section 1, is amended to read as follows:

36 a. The agricultural development authority is
37 established within the department of agriculture and
38 land stewardship. The ~~agency~~ authority is constituted
39 as a public instrumentality and agency of the state
40 exercising public and essential governmental functions.

41 Sec. 24. Section 207.22, subsection 3, paragraph b,
42 Code 2011, as amended by 2011 Iowa Acts, Senate File
43 475, section 47, is amended to read as follows:

44 b. Acquisition of coal refuse disposal sites and
45 all coal refuse thereon will serve the purposes of
46 ~~Tit. IV of~~ Pub. L. No. 95-87, Tit. IV, codified at 30
47 U.S.C. ch. 25, subch. IV, or that public ownership
48 is desirable to meet emergency situations and prevent
49 recurrences of the adverse effect of past coal mining
50 practices.

1 Sec. 25. Section 232.71D, subsection 3, paragraph
2 a, unnumbered paragraph 1, as enacted by 2011 Iowa
3 Acts, [House File 562](#), section 3, is amended to read as
4 follows:

5 Unless any of the circumstances listed in paragraph
6 "b" are applicable, cases to which any of the following
7 circumstances apply shall not be placed ~~on~~ in the
8 central registry:

9 Sec. 26. Section 256.7, subsection 26, paragraph a,
10 subparagraph (1), as enacted by 2011 Iowa Acts, Senate
11 File 453, section 1, is amended to read as follows:

12 (1) The rules establishing high school graduation
13 requirements shall authorize a school district
14 or accredited nonpublic school to consider that
15 any student who satisfactorily completes a high
16 school-level unit of English or language arts,
17 mathematics, science, or social studies has
18 satisfactorily completed a unit of the high school
19 graduation requirements for that area as specified in
20 this lettered paragraph, and ~~to~~ shall authorize the
21 school district or accredited nonpublic school to issue
22 high school credit for the unit to the student.

23 Sec. 27. Section 327B.5, Code 2011, is amended to
24 read as follows:

25 327B.5 Penalty.

26 Any person violating the provisions of this chapter
27 shall, upon conviction, be subject to a scheduled
28 fine as provided in section 805.8A, subsection 13,
29 ~~paragraphs~~ paragraph "f" and ~~"g"~~.

30 Sec. 28. Section 422.110, subsection 5, paragraph
31 a, subparagraph (2), if enacted by 2011 Iowa Acts,
32 [Senate File 531](#), section 17, is amended to read as
33 follows:

34 (2) The E-15 plus gasoline promotion tax credit
35 pursuant to section 422.11Y.

36 Sec. 29. Section 422.11Y, subsection 1, paragraph
37 d, if enacted by 2011 Iowa Acts, [Senate File 531](#),
38 section 35, is amended to read as follows:

39 d. "Tax credit" means the E-15 plus gasoline
40 promotion tax credit as provided in this section.

41 Sec. 30. Section 422.11Y, subsection 3, unnumbered
42 paragraph 1, if enacted by 2011 Iowa Acts, Senate File
43 531, section 35, is amended to read as follows:

44 The taxes imposed under this division, less the
45 credits allowed under section 422.12, shall be reduced
46 by the amount of the E-15 plus gasoline promotion tax
47 credit for each tax year that the taxpayer is eligible
48 to claim a tax credit under this subsection.

49 Sec. 31. Section 422.11Y, subsection 6, paragraph
50 b, subparagraph (2), if enacted by 2011 Iowa Acts,

1 [Senate File 531](#), section 35, is amended to read as
2 follows:

3 (2) The retail dealer may claim the ethanol
4 promotion tax credit as provided in paragraph "a" for
5 the same ethanol gallonage used to calculate and claim
6 the E-15 plus gasoline promotion tax credit.

7 Sec. 32. Section 423.4, subsection 9, unnumbered
8 paragraph 1, if enacted by 2011 Iowa Acts, Senate File
9 531, section 59, is amended to read as follows:

10 A person who qualifies as a biodiesel producer as
11 provided in this subsection may apply to the director
12 for a refund of the amount of the sales or use tax
13 imposed and paid upon purchases made by the person.

14 Sec. 33. Section 483A.24A, Code 2011, as amended by
15 2011 Iowa Acts, [Senate File 194](#), section 10, is amended
16 to read as follows:

17 483A.24A License refunds ---- military service.

18 Notwithstanding any provision of this chapter to
19 the contrary, a service member deployed for military
20 service, ~~both~~ as defined in section 29A.1, subsection
21 3, shall receive a refund of that portion of any
22 license fee paid by the service member representing the
23 service member's period of military service.

24 Sec. 34. Section 501.101, subsection 01, as enacted
25 by 2011 Iowa Acts, [House File 348](#), section 7, is
26 amended to read as follows:

27 01. "Alternative voting method" means a method of
28 voting other than a written ballot, including voting
29 by electronic, telephonic, internet, or other means
30 that reasonably ~~allow~~ allows members the opportunity
31 to vote.

32 Sec. 35. Section 501A.703, subsection 5, paragraph
33 d, Code 2011, as amended by 2011 Iowa Acts, House File
34 348, section 19, is amended to read as follows:

35 d. If the ballot of the member is received by
36 the cooperative on or before the date of the regular
37 members' meeting or as otherwise prescribed for an
38 alternative~~7~~ voting method, the ballot or alternative
39 voting method shall be accepted and counted as the vote
40 of the absent member.

41 Sec. 36. Section 511.8, subsection 22, paragraph i,
42 unnumbered paragraph 1, as enacted by 2011 Iowa Acts,
43 [Senate File 406](#), section 25, is amended to read as
44 follows:

45 Securities held in the legal reserve of a life
46 insurance company or association pledged as collateral
47 for financial instruments used in highly effective
48 hedging transactions as defined in the national
49 association of insurance commissioners' ~~Statement~~
50 statement of ~~Statutory Accounting Principles No.~~

1 statutory accounting principles no. 86 shall continue
2 to be eligible for inclusion ~~on~~ in the legal reserve of
3 the life insurance company or association subject to
4 all of the following:

5 Sec. 37. Section 514J.109, subsection 3, paragraph
6 f, if enacted by 2011 Iowa Acts, [House File 597](#),
7 section 9, is amended to read as follows:

8 f. The covered person or the covered person's
9 authorized representative has provided all the
10 information and forms required by the commissioner that
11 are necessary to process an external review request
12 pursuant to this section.

13 Sec. 38. Section 521F.4, subsection 1, paragraph b,
14 as enacted by 2011 Iowa Acts, [Senate File 406](#), section
15 44, is amended to read as follows:

16 b. The filing of a risk-based capital report by
17 a health organization which indicates that the health
18 organization has total adjusted capital which is
19 greater than or equal to its company-action-level
20 risk-based capital but less than the product of its
21 authorized-control-level risk-based capital and three
22 and triggers the trend test determined in accordance
23 with the trend test ~~calculations~~ calculation included
24 in the health risk-based capital instructions.

25 Sec. 39. Section 524.310, subsection 5, paragraph
26 b, Code 2011, as amended by 2011 Iowa Acts, Senate File
27 475, section 120, is amended to read as follows:

28 b. A corporate or company name reserved,
29 registered, or protected as provided in section
30 489.109, 490.402, 490.403, ~~490A.402~~, 504.402, or
31 504.403.

32 Sec. 40. Section 717.3, subsection 5, paragraph b,
33 Code 2011, as enacted by 2011 Iowa Acts, Senate File
34 478, section 6, is amended to read as follows:

35 b. That the department shall assume supervision of
36 and provide for the sustenance of the livestock ~~and~~ as
37 provided in section 717.4.

38 Sec. 41. Section 717.4, subsection 2, as enacted by
39 2011 Iowa Acts, [Senate File 478](#), section 7, is amended
40 to read as follows:

41 2. The court ordered lien shall be for the benefit
42 of the department. The amount of the lien shall not
43 be ~~not~~ more than for expenses incurred in providing
44 sustenance to the livestock pursuant to section 717.3
45 and providing for the disposition of the livestock
46 pursuant to section 717.5.

47 Sec. 42. Section 717.4A, as enacted by 2011 Iowa
48 Acts, [Senate File 478](#), section 8, is amended to read
49 as follows:

50 717.4A Livestock in immediate need of sustenance ----

1 livestock remediation fund.

2 The department may utilize the moneys deposited
3 into the livestock remediation fund pursuant to
4 section 459.501 to pay for any expenses associated
5 with providing sustenance to or the disposition of the
6 livestock pursuant to a court order entered pursuant to
7 section 717.3 or 717.5. The department shall utilize
8 moneys from the fund only to the extent that the
9 department determines that expenses cannot be timely
10 paid by utilizing the available provisions of sections
11 717.4 and 717.5. The department shall deposit any
12 unexpended and unobligated moneys in the fund. The
13 department shall pay to the fund the proceeds from the
14 disposition of the livestock and associated products
15 less expenses incurred by the department in providing
16 for the sustenance and disposition of the livestock, as
17 provided in section 717.5.

18 Sec. 43. EFFECTIVE DATES.

19 1. The section of this division of this Act
20 amending section 422.110, subsection 5, paragraph a,
21 subparagraph (2), if enacted by 2011 Iowa Acts, Senate
22 File 531, section 17, takes effect January 1, 2012.

23 2. Section 423.4, subsection 9, unnumbered
24 paragraph 1, if enacted by 2011 Iowa Acts, Senate File
25 531, section 59, takes effect January 1, 2012.

26 Sec. 44. APPLICABILITY.

27 1. The section of this division of this Act
28 amending section 422.110, subsection 5, paragraph a,
29 subparagraph (2), if enacted by 2011 Iowa Acts, Senate
30 File 531, section 17, applies to tax years beginning on
31 and after January 1, 2012.

32 2. The section of this division of this Act
33 amending section 422.11Y, subsection 1, paragraph d, if
34 enacted by 2011 Iowa Acts, [Senate File 531](#), section 35,
35 applies to tax years beginning on and after January 1,
36 2012, and to that part of a retail dealer's tax year or
37 tax years occurring during that portion of the calendar
38 year beginning on and after July 1, 2011, and ending
39 on December 31, 2011.

40 3. The section of this division of this Act
41 amending section 422.11Y, subsection 3, unnumbered
42 paragraph 1, if enacted by 2011 Iowa Acts, Senate File
43 531, section 35, applies to tax years beginning on and
44 after January 1, 2012, and to that part of a retail
45 dealer's tax year or tax years occurring during that
46 portion of the calendar year beginning on and after
47 July 1, 2011, and ending on December 31, 2011.

48 4. The section of this division of this Act
49 amending section 422.11Y, subsection 6, paragraph b,
50 subparagraph (2), if enacted by 2011 Iowa Acts, Senate

1 File 531, section 35, applies to tax years beginning on
2 and after January 1, 2012, and to that part of a retail
3 dealer's tax year or tax years occurring during that
4 portion of the calendar year beginning on and after
5 July 1, 2011, and ending on December 31, 2011.

6 DIVISION V

7 MISCELLANEOUS PROVISIONS AND APPROPRIATIONS

8 Sec. 45. APPROPRIATION ---- BATTLESHIP IOWA, BB-61.

9 1. There is appropriated from the general fund of
10 the state to the department of cultural affairs for the
11 fiscal year beginning July 1, 2010, and ending June 30,
12 2011, the following amount, or so much thereof as is
13 necessary, to be credited to the BB-61 fund created in
14 2010 Iowa Acts, chapter 1194:

15 \$ 3,000,000

16 2. If the department of the navy, pursuant to a
17 process outlined in a notice published in the federal
18 register on May 24, 2010, volume 75, number 99, awards
19 possession or conditionally awards possession of the
20 battleship Iowa, BB-61, to a nonprofit group that is
21 eligible to receive the battleship, the department of
22 cultural affairs shall award a grant to the nonprofit
23 group in an amount equal to \$3 million in addition to
24 any moneys awarded as a grant from the BB-61 fund.

25 3. Notwithstanding section 8.33, moneys
26 appropriated in this section that remain unencumbered
27 or unobligated at the close of the fiscal year shall
28 not revert but shall remain available for expenditure
29 for the purposes designated for succeeding fiscal
30 years.

31 Sec. 46. STATE AGENCY OFFICE SUPPLIES PURCHASE,
32 EQUIPMENT PURCHASES, PRINTING AND BINDING, AND
33 MARKETING ---- APPLICABILITY. The limitation on
34 expenditures made for office supplies, purchases
35 of equipment, office equipment, and equipment
36 noninventory, printing and binding, and marketing
37 implemented pursuant to 2011 Iowa Acts, [House File 45](#),
38 section 2, does not apply to a department or agency
39 receiving a supplemental appropriation for the fiscal
40 year beginning July 1, 2010, pursuant to 2011 Iowa
41 Acts, [Senate File 209](#), division III.

42 Sec. 47. Section 321J.2, subsection 4, paragraph b,
43 Code 2011, is amended to read as follows:

44 b. Assessment of a minimum fine of one thousand
45 eight hundred ~~fifty~~ seventy-five dollars and a maximum
46 fine of six thousand two hundred fifty dollars.
47 Surcharges and fees shall be assessed pursuant to
48 chapter 911.

49 Sec. 48. REPEAL. Chapter 327K, Code 2011, is
50 repealed.

1 Sec. 49. EFFECTIVE UPON ENACTMENT. The section
2 of this division of this Act appropriating moneys to
3 the department of cultural affairs for purposes of a
4 grant for the battleship Iowa, BB-61, being deemed of
5 immediate importance, takes effect upon enactment.

6 Sec. 50. EFFECTIVE UPON ENACTMENT AND RETROACTIVE
7 APPLICABILITY. The provision of this division of this
8 Act relating to a limitation on state agency office
9 supplies purchase, equipment purchases, printing and
10 binding, and marketing as enacted by 2011 Iowa Acts,
11 House File 45, being deemed of immediate importance,
12 takes effect upon enactment and applies retroactively
13 to March 7, 2011.

14 DIVISION VI

15 GROW IOWA VALUES FUND AND PROGRAM

16 Sec. 51. Section 15.103, subsection 6, Code 2011,
17 is amended to read as follows:

18 6. As part of the organizational structure of the
19 department, the board shall establish a due diligence
20 committee and a loan and credit guarantee committee
21 composed of members of the board. The committees shall
22 serve in an advisory capacity to the board and shall
23 carry out any duties assigned by the board in relation
24 to programs administered by the department. The loan
25 and credit guarantee committee shall advise the board
26 on the winding up of loan guarantees made under the
27 loan and credit guarantee program established pursuant
28 to section 15E.224, Code 2009, ~~and on the proper~~
29 ~~amount of the allocation described in section 15G.111,~~
30 ~~subsection 4, paragraph "g".~~

31 Sec. 52. Section 15.104, subsection 1, Code 2011,
32 is amended by striking the subsection.

33 Sec. 53. Section 15.104, subsection 8, paragraphs
34 b and i, Code 2011, are amended by striking the
35 paragraphs.

36 Sec. 54. Section 15.104, subsection 8, paragraph j,
37 Code 2011, is amended to read as follows:

38 j. Renewable fuel programs. A detailed accounting
39 of expenditures in support of renewable fuel
40 infrastructure programs, as provided in sections
41 15G.203 and 15G.204. ~~The renewable fuel infrastructure~~
42 ~~board established in section 15G.202 shall approve that~~
43 ~~portion of the department's annual report regarding~~
44 ~~projects supported from the grow Iowa values fund~~
45 ~~created in section 15G.111.~~ This paragraph is repealed
46 on July 1, 2012.

47 Sec. 55. Section 15.327, Code 2011, is amended by
48 adding the following new subsections:

49 NEW SUBSECTION. 01. "Base employment level" means
50 the number of full-time equivalent positions at a

1 business, as established by the department and a
2 business using the business's payroll records, as of
3 the date a business applies for financial assistance
4 under the program.

5 NEW SUBSECTION. 3A. "County wage" means the
6 average hourly compensation rates, excluding the value
7 of nonwage benefits for comparable jobs, from the most
8 recent four quarters of wage and employment information
9 from the quarterly covered wage and employment
10 data report issued by the department of workforce
11 development.

12 NEW SUBSECTION. 7A. "Full-time equivalent position"
13 means a non-part-time position for the number of hours
14 or days per week considered to be full-time work for
15 the kind of service or work performed for an employer.
16 Typically, a full-time equivalent position requires
17 two thousand eighty hours of work in a calendar year,
18 including all paid holidays, vacations, sick time, and
19 other paid leave.

20 NEW SUBSECTION. 7B. "Maintenance period" means the
21 period of time between the project completion date and
22 maintenance period completion date.

23 NEW SUBSECTION. 12A. "Regional wage" means the
24 average hourly compensation rates, excluding the value
25 of nonwage benefits for comparable jobs, from the most
26 recent four quarters of wage and employment information
27 from the quarterly covered wage and employment
28 data report issued by the department of workforce
29 development.

30 Sec. 56. Section 15.327, subsections 1, 4, 7, 8,
31 10, 12, and 13, Code 2011, are amended by striking
32 the subsections and inserting in lieu thereof the
33 following:

34 1. "Benefit" means nonwage compensation provided
35 to an employee. Benefits typically include medical
36 and dental insurance plans, pension, retirement,
37 and profit-sharing plans, child care services,
38 life insurance coverage, vision insurance coverage,
39 disability insurance coverage, and any other nonwage
40 compensation as determined by the board.

41 4. "Created job" means a new, permanent, full-time
42 equivalent position added to a business's payroll in
43 excess of the business's base employment level.

44 7. "Fiscal impact ratio" means a ratio calculated
45 by estimating the amount of taxes to be received from
46 a business by the state and dividing the estimate by
47 the estimated cost to the state of providing certain
48 financial incentives to the business, reflecting
49 a ten-year period of taxation and incentives and
50 expressed in terms of current dollars. For purposes

1 of the program, "fiscal impact ratio" does not include
2 taxes received by political subdivisions.

3 8. "Maintenance period completion date" means the
4 date on which the maintenance period ends.

5 10. "Project completion date" means the date by
6 which a recipient of financial assistance has agreed
7 to meet all the terms and obligations contained in an
8 agreement with the department as described in section
9 15.330.

10 12. "Qualifying wage threshold" means the county
11 wage or the regional wage, as calculated pursuant to
12 subsections 3A and 12A, whichever is lower.

13 13. "Retained job" means a full-time equivalent
14 position, in existence at the time an employer applies
15 for financial assistance which remains continuously
16 filled or authorized to be filled as soon as possible
17 and which is at risk of elimination if the project
18 for which the employer is seeking assistance does not
19 proceed.

20 Sec. 57. Section 15.329, subsection 2, Code 2011,
21 is amended to read as follows:

22 2. A business providing a sufficient package of
23 benefits to each employee holding a created or retained
24 job shall qualify for a credit against the qualifying
25 wage threshold requirements described in subsection
26 1, paragraph "c". The credit shall be calculated and
27 applied in the following manner: ~~described in section~~
28 ~~15C.112, subsection 4, paragraph "b".~~

29 a. By multiplying the qualifying wage threshold of
30 the county in which the business is located by one and
31 three-tenths.

32 b. By multiplying the result of paragraph "a" by
33 one-tenth.

34 c. The amount of the result of paragraph "b" shall
35 be credited against the amount of the one hundred
36 thirty percent qualifying wage threshold requirement
37 that the business is required to meet under subsection
38 1, paragraph "c".

39 d. The credit shall not be applied against the
40 one hundred percent of qualifying wage threshold
41 requirement described in subsection 1, paragraph "c".

42 Sec. 58. Section 15.330, subsection 4, Code 2011,
43 is amended to read as follows:

44 4. A project completion date, a maintenance period
45 completion date, the number of jobs to be created
46 or retained, or certain other terms and obligations
47 described in ~~section 15C.112, subsection 1, paragraph~~
48 ~~"d"~~ an agreement, as the department deems necessary in
49 order to make the requirements in project agreements
50 uniform. The department, with the approval of

1 the board, may adopt rules as necessary for making
2 such requirements uniform. Such rules shall be in
3 compliance with the provisions of this part ~~and with~~
4 ~~the provisions of chapter 15G.~~

5 Sec. 59. Section 15.335A, subsection 1, unnumbered
6 paragraph 1, Code 2011, is amended to read as follows:

7 Tax incentives are available to eligible businesses
8 as provided in this section. The incentives are based
9 upon the number of jobs created or retained that pay
10 at least one hundred thirty percent of the qualifying
11 wage threshold as computed pursuant to section
12 ~~15G.112~~ 15.329, subsection 4 1, and the amount of the
13 qualifying investment made according to the following
14 schedule:

15 Sec. 60. Section 15.335A, subsection 2, paragraphs
16 b, c, f, and g, Code 2011, are amended by striking the
17 paragraphs.

18 Sec. 61. Section 15.335A, subsection 5, Code 2011,
19 is amended to read as follows:

20 5. The department shall negotiate the amount of tax
21 incentives provided to an applicant under the program
22 in accordance with this section ~~and section 15G.112, as~~
23 ~~applicable.~~

24 Sec. 62. Section 15A.7, subsection 3, Code 2011, is
25 amended to read as follows:

26 3. That the employer shall agree to pay wages for
27 the jobs for which the credit is taken of at least the
28 county wage or the regional wage, as calculated ~~by the~~
29 ~~department~~ pursuant to section ~~15G.112, subsection 3~~
30 15.327, subsections 3A and 12A, whichever is lower.
31 Eligibility for the supplemental credit shall be based
32 on a one-time determination of starting wages by the
33 community college.

34 Sec. 63. Section 15E.193, subsection 1, paragraphs
35 b through d, Code 2011, are amended to read as follows:

36 b. (1) The business shall provide a sufficient
37 package of benefits to each employee holding a created
38 or retained job. For purposes of this paragraph,
39 "created job" and "retained job" have the same meaning
40 as defined in section ~~15G.101~~ 15.327.

41 (2) The board, upon the recommendation of the
42 department, shall adopt rules determining what
43 constitutes a sufficient package of benefits.

44 c. The business shall pay a wage that is at least
45 ninety percent of the qualifying wage threshold. For
46 purposes of this paragraph, "qualifying wage threshold"
47 has the same meaning as defined in section ~~15G.101~~
48 15.327.

49 d. Creates or retains at least ten full-time
50 equivalent positions and maintains them until the

1 maintenance period completion date. For purposes of
2 this paragraph, "maintenance period completion date" and
3 "full-time equivalent position" have the same meanings
4 as defined in section ~~15C.101~~ 15.327.

5 Sec. 64. Section 15E.231, unnumbered paragraph 1,
6 Code 2011, is amended to read as follows:

7 ~~In order for an An~~ economic development region ~~to~~
8 ~~receive moneys under the grow Iowa values financial~~
9 ~~assistance program established in section 15C.112,~~
10 an shall establish a regional development plan. An
11 economic development region's regional development
12 plan must be approved by the department. An economic
13 development region shall consist of not less than
14 three counties, unless two contiguous counties have a
15 combined population of at least three hundred thousand
16 based on the most recent federal decennial census. An
17 economic development region shall establish a focused
18 economic development effort that shall include a
19 regional development plan relating to one or more of
20 the following areas:

21 Sec. 65. Section 15E.232, subsections 1, 3, 4,
22 5, 6, and 7, Code 2011, are amended by striking the
23 subsections.

24 Sec. 66. Section 15E.351, subsection 1, Code 2011,
25 is amended to read as follows:

26 1. The department shall establish and administer
27 a business accelerator program to provide financial
28 assistance for the establishment and operation of a
29 business accelerator for technology-based, value-added
30 agricultural, information solutions, alternative
31 and renewable energy including the alternative and
32 renewable energy sectors listed in section 476.42,
33 subsection 1, paragraph "a", or advanced manufacturing
34 start-up businesses or for a satellite of an existing
35 business accelerator. The program shall be designed
36 to foster the accelerated growth of new and existing
37 businesses through the provision of technical
38 assistance. ~~The department, subject to the approval of~~
39 ~~the economic development board, may provide financial~~
40 ~~assistance under this section from moneys allocated~~
41 ~~for regional financial assistance pursuant to section~~
42 ~~15C.111, subsection 9.~~

43 Sec. 67. Section 159A.6B, subsection 2, Code 2011,
44 is amended to read as follows:

45 2. The office may execute contracts in order to
46 provide technical support and outreach services for
47 purposes of assisting and educating interested persons
48 as provided in this section. The office may also
49 contract with a consultant to provide part or all
50 of these services. The office may require that a

1 person receiving assistance pursuant to this section
2 contribute up to fifty percent of the amount required
3 to support the costs of contracting with the consultant
4 to provide assistance to the person. ~~The office~~
5 ~~shall assist the person in completing any technical~~
6 ~~information required in order to receive assistance~~
7 ~~by the department of economic development pursuant~~
8 ~~to the value added agriculture component of the grow~~
9 ~~Iowa values financial assistance program established~~
10 ~~pursuant to section 15G.112.~~

11 Sec. 68. Section 455B.104, subsection 2, Code 2011,
12 is amended by striking the subsection.

13 Sec. 69. 2010 Iowa Acts, chapter 1184, section 26,
14 is amended to read as follows:

15 SEC. 26. GROW IOWA VALUES FUND.

16 1. There is appropriated from the rebuild Iowa
17 infrastructure fund to the department of economic
18 development for deposit in the grow Iowa values fund,
19 for the fiscal year beginning July 1, 2010, and ending
20 June 30, 2011, the following amount, notwithstanding
21 section 8.57, subsection 6, paragraph "c":
22

23 \$ 38,000,000

24 2. On the effective date of this section of this
25 2011 Iowa Act, any unobligated and unencumbered moneys
26 appropriated in this section and section 27 of this
27 2010 Iowa Act, shall revert to the general fund of the
28 state. Any repayments of moneys loaned from moneys
29 appropriated in this section and section 27 of this
30 2010 Iowa Act, and received after the effective date of
31 this 2011 Iowa Act, shall be credited to the general
32 fund of the state.

33 Sec. 70. 2010 Iowa Acts, chapter 1184, section 27,
34 is amended to read as follows:

35 SEC. 27. GROW IOWA VALUES FUND APPROPRIATION
36 REDUCTION.

37 1. In lieu of the \$50,000,000 appropriated for the
38 fiscal year beginning July 1, 2010, and ending June 30,
39 2011, from the grow Iowa values fund to the department
40 of economic development pursuant to section 15G.111,
41 subsection 3, there is appropriated from the grow Iowa
42 values fund to the department of economic development
43 for the fiscal year beginning July 1, 2010, and ending
44 June 30, 2011, \$38,000,000 for the purposes of making
45 expenditures pursuant to chapter 15G.

46 2. On the effective date of this section of this
47 2011 Iowa Act, an entity receiving moneys appropriated
48 pursuant to this section, with the exception of moneys
49 allocated pursuant to section 28, subsections 2 and
50 5, of this 2010 Iowa Act, shall cease obligating or
encumbering such moneys.

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1 Sec. 71. REPEAL. Section 15E.233, Code 2011, is
2 repealed.

3 Sec. 72. REPEAL. Sections 15G.101 and 15G.109
4 through 15G.115, Code 2011, are repealed.

5 Sec. 73. REPEAL. Section 266.19, Code 2011, is
6 repealed.

7 Sec. 74. REPEAL. Section 455B.433, Code 2011, is
8 repealed.

9 Sec. 75. EFFECTIVE DATE. The provisions of this
10 division of this Act amending 2010 Iowa Acts, chapter
11 1184, being deemed of immediate importance, take effect
12 upon enactment.>

13 2. By renumbering as necessary.

 COMMITTEE ON APPROPRIATIONS

 RAECKER of Polk, Chairperson

H-1720 FILED MAY 10, 2011